
THIS SUPPLEMENTAL CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this supplemental circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Sinotruk (Hong Kong) Limited, you should at once hand this supplemental circular to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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SINOTRUK (HONG KONG) LIMITED

中國重汽(香港)有限公司

(incorporated in Hong Kong with limited liability)

(Stock Code: 03808)

SUPPLEMENTAL CIRCULAR TO THE AGM CIRCULAR

**(1) REVISION OF ANNUAL CAP OF EXISTING CONTINUING
CONNECTED TRANSACTIONS**

AND

**(2) RENEWAL OF EXISTING CONTINUING CONNECTED
TRANSACTIONS**

**Independent Financial Adviser
to the Independent Board Committee and Independent Shareholders**



This supplemental circular should be read together with the circular issued by the Company to the Shareholders dated 18 May 2026 (the “**AGM Circular**”). A notice of an annual general meeting of Sinotruk (Hong Kong) Limited to be held at 3:00 p.m. on Monday, 29 June 2026 at the meeting centre at Sinotruk Tower, No. 777 Hua’ao Road, Innovation Zone, Ji’nan City, Shandong Province, PRC (as the principal meeting venue) and Units 2102-03, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong (as the additional meeting venue) is set out on pages AGM-1 to AGM-3 of the AGM circular.

A letter from the Board is set out on pages 8 to 30 of this supplemental circular and a letter from the independent board committee of the Company, containing its recommendation to the independent shareholders of the Company, is set out on pages 31 to 32 of this supplemental circular. A letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and Independent Shareholders of the Company is set out on pages 33 to 44 of this supplemental circular.

Whether or not you are able to attend the meeting in person, please complete the form of proxy enclosed with the AGM Circular in accordance with the instructions printed thereon and return it to the Company’s share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as practicable and in any event not later than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjourned meeting should you so wish.

18 May 2026

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DEFINITIONS

In this supplemental circular, the following expressions shall have the following meanings unless the context indicates otherwise:

“2029 CNHTC Non-exempt CCT Agreements”	the 2029 CNHTC Sale of Goods Agreement and the 2029 CNHTC Purchase of Goods Agreement
“2029 CNHTC Purchase of Goods Agreement”	the agreement dated 27 March 2026 entered into between the Company (for itself and on behalf of its subsidiaries) and CNHTC (for itself and on behalf of the CNHTC Group), details of which are set out in section B.2 in this circular
“2029 CNHTC Sale of Goods Agreement”	the agreement dated 27 March 2026 entered into between the Company (for itself and on behalf of its subsidiaries) and CNHTC (for itself and on behalf of the CNHTC Group), details of which are set out in section B.1 in this circular
“AGM”	the annual general meeting of the Company to be held on 29 June 2026 or any adjournment thereof, details of which are set out in the AGM Circular
“AGM Circular”	the circular of the Company dated 18 May 2026
“AGM Notice”	notice convening the AGM dated 18 May 2026, as set out on pages AGM-1 to AGM-3 of the AGM Circular
“Annual CCT Review Reporting”	has the meaning ascribed thereto under the section headed “A. REVISION OF ANNUAL CAP OF EXISTING CONTINUING CONNECTED TRANSACTIONS — Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement — Existing annual caps, historical transaction amounts and the proposed Revised Cap — Internal control procedures” in the letter from the Board contained in this supplemental circular
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“CNHTC”	中國重型汽車集團有限公司 (China National Heavy Duty Truck Group Company Limited*), a state-owned enterprise organised under the laws of the PRC with limited liability, being the controlling shareholder of the Company
“CNHTC Group”	CNHTC and its associates but excluding any member of the Group which constitutes an associate of CNHTC solely due to CNHTC’s indirect interest in the shares of the Company
“CNHTC Interested Director(s)”	Mr. Liu Zhengtao, Mr. Liu Wei, Ms. Li Xia, Mr. Han Feng, Mr. Zhao Hua and Mr. Wang Dechun

DEFINITIONS

“CNHTC Price List”	has the meaning ascribed thereto under the section headed “A. REVISION OF ANNUAL CAP OF EXISTING CONTINUING CONNECTED TRANSACTIONS — Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement — Other terms and details — Pricing” in the letter from the Board in this supplemental circular
“Company”	Sinotruk (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Continuing Connected Transaction(s)”	the continuing transaction(s) between the Group and connected person(s) that constitutes continuing connected transactions pursuant to Chapter 14A of the Listing Rules
“controlling shareholder”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“FPFPS”	Ferdinand Porsche Familien-Privatstiftung, an Austrian private foundation (Privatstiftung) (trust), being the beneficial owner of 20% of the entire issued share capital of the Company
“First Supplemented 2026 CNHTC Purchase of Goods Agreement”	the purchase of goods agreement entered into between the Company (for itself and on behalf of its subsidiaries) as purchaser and CNHTC (for itself and on behalf of the CNHTC Group) as supplier on 31 March 2023 (as amended and supplemented by a supplemental agreement dated 25 March 2024), under which the CNHTC Group agreed to sell products including vehicles, refitted trucks, chassis, add-on products (such as trunks, flatbeds, tanks), semi-trailer truck, raw materials, parts and components, assemblies, semi-finished products to the Group
“Further Supplemented 2026 CNHTC Purchase of Goods Agreement”	has the meaning ascribed thereto under the section headed “A. REVISION OF ANNUAL CAP OF EXISTING CONTINUING CONNECTED TRANSACTIONS — Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement” in the letter from the Board in this supplemental circular

DEFINITIONS

“Goods For Purchase”	has the meaning ascribed thereto under the section headed “A. REVISION OF ANNUAL CAP OF EXISTING CONTINUING CONNECTED TRANSACTIONS — Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement — Subject matter” in the letter from the Board contained in this supplemental circular
“Goods For Sale”	has the meaning ascribed thereto under the section headed “B. RENEWAL OF EXISTING CONTINUING CONNECTED TRANSACTIONS — 1. 2029 CNHTC Sale of Goods Agreement — Subject matter” in the letter from the Board contained in this supplemental circular
“Group”	the Company and its subsidiaries
“Group Finance Department”	has the meaning ascribed thereto under the section headed “A. REVISION OF ANNUAL CAP OF EXISTING CONTINUING CONNECTED TRANSACTIONS — Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement — Existing annual caps, historical transaction amounts and the proposed Revised Cap — Internal control procedures” in the letter from the Board contained in this supplemental circular
“Group Internal Audit Department”	has the meaning ascribed thereto under the section headed “A. REVISION OF ANNUAL CAP OF EXISTING CONTINUING CONNECTED TRANSACTIONS — Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement — Existing annual caps, historical transaction amounts and the proposed Revised Cap — Internal control procedures” in the letter from the Board contained in this supplemental circular
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee of the Company comprising Mr. Lyu Shousheng, Dr. Wang Dengfeng, Mr. Zhao Hang, Mr. Zhang Zhong and Dr. Liu Xiaolun

DEFINITIONS

“Independent Financial Adviser”	South China Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the transactions contemplated under the Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement and the 2029 CNHTC non-exempt CCT Agreements
“Independent Shareholders”	Shareholders who are not required to abstain from voting at the general meeting of the Company in respect of the transactions contemplated under the Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement and the 2029 CNHTC Non-exempt CCT Agreements
“Internal Price List”	has the meaning ascribed thereto under the section headed “A. REVISION OF ANNUAL CAP OF EXISTING CONTINUING CONNECTED TRANSACTIONS — Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement — Other terms and details — Pricing” in the letter from the Board in this supplemental circular
“Internal Review”	has the meaning ascribed thereto under section “A. REVISION OF ANNUAL CAP OF EXISTING CONTINUING CONNECTED TRANSACTIONS — Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement — Existing annual caps, historical transaction amounts and the proposed Revised Cap — Internal control procedures” in the letter from the Board in this supplemental circular
“Latest Practicable Date”	Tuesday, 12 May 2026, being the latest practicable date prior to the printing of this supplemental circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“Monthly CCT Transactions Summary”	has the meaning ascribed thereto under the section headed “A. REVISION OF ANNUAL CAP OF EXISTING CONTINUING CONNECTED TRANSACTIONS — Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement — Existing annual caps, historical transaction amounts and the proposed Revised Cap — Internal control procedures” in the letter from the Board contained in this supplemental circular
“New Cap(s)”	the new annual cap(s) for the Continuing Connected Transactions as set out in section B in the letter from the Board contained in this supplemental circular
“Non-exempt Continuing Connected Transaction(s)”	being the Continuing Connected Transaction(s) as set out in sections A and B in the letter from the Board contained in this supplemental circular, which are subject to reporting, announcement, annual review, and the Independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules
“Parts For Purchase”	has the meaning ascribed thereto under the section headed “A. REVISION OF ANNUAL CAP OF EXISTING CONTINUING CONNECTED TRANSACTIONS — Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement — Subject matter” in the letter from the Board in this supplemental circular
“Parts For Sale”	has the meaning ascribed thereto under the section headed “B. RENEWAL OF EXISTING CONTINUING CONNECTED TRANSACTIONS — 1. 2029 CNHTC Sale of Goods Agreement — Subject matter” in the letter from the Board in this supplemental circular
“Parts Price List”	has the meaning ascribed thereto under the section headed “B. RENEWAL OF EXISTING CONTINUING CONNECTED TRANSACTIONS — 1. 2029 CNHTC Sale of Goods Agreement — Other terms and details — Pricing” in the letter from the Board in this supplemental circular
“Performance Appraisal Index”	has the meaning ascribed thereto under the section headed “A. REVISION OF ANNUAL CAP OF EXISTING CONTINUING CONNECTED TRANSACTIONS — Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement — Other terms and details — Pricing” in the letter from the Board in this supplemental circular

DEFINITIONS

“Products For Purchase”	has the meaning ascribed thereto under the section headed “A. REVISION OF ANNUAL CAP OF EXISTING CONTINUING CONNECTED TRANSACTIONS — Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement — Subject matter” in the letter from the Board in this supplemental circular
“Products For Sale”	has the meaning ascribed thereto under the section headed “B. RENEWAL OF EXISTING CONTINUING CONNECTED TRANSACTIONS — 1. 2029 CNHTC Sale of Goods Agreement — Subject matter” in the letter from the Board in this supplemental circular
“Products Price List”	has the meaning ascribed thereto under the section headed “B. RENEWAL OF EXISTING CONTINUING CONNECTED TRANSACTIONS — 1. 2029 CNHTC Sale of Goods Agreement — Other terms and details — Pricing” in the letter from the Board in this supplemental circular
“PRC”	the People’s Republic of China, and for the purpose of this supplemental circular, excluding Hong Kong, Macao Special Administrative Region and Taiwan
“Refitted Products”	has the meaning ascribed thereto under the section headed “A. REVISION OF ANNUAL CAP OF EXISTING CONTINUING CONNECTED TRANSACTIONS — Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement — Other terms and details — Pricing” in the letter from the Board in this supplemental circular
“Regular CCT Meetings”	has the meaning ascribed thereto under the section headed “A. REVISION OF ANNUAL CAP OF EXISTING CONTINUING CONNECTED TRANSACTIONS — Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement — Existing annual caps, historical transaction amounts and the proposed Revised Cap — Internal control procedures” in the letter from the Board contained in this supplemental circular
“Revised Cap”	the revised annual cap for the Continuing Connected Transactions as set out in section A in the letter from the Board contained in this supplemental circular
“RMB”	Renminbi, the lawful currency of the PRC
“SASAC”	State-owned Assets Supervision and Administration Commission of the State Council of the PRC

DEFINITIONS

“SDHi”	山東重工集團有限公司 (Shandong Heavy Industry Group Co., Ltd.), a company established in the PRC with limited liability which is a controlling shareholder of the Company
“Second Supplemental Agreement”	has the meaning as ascribed thereto under the section headed “A. REVISION OF ANNUAL CAP OF EXISTING CONTINUING CONNECTED TRANSACTIONS — Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement” in the letter from the Board in this supplemental circular
“Securities Management Department”	has the meaning ascribed thereto under section “A. REVISION OF ANNUAL CAP OF EXISTING CONTINUING CONNECTED TRANSACTIONS — Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement — Existing annual caps, historical transaction amounts and the proposed Revised Cap — Internal control procedures” in the letter from the Board in this supplemental circular
“Share(s)”	ordinary share(s) in the capital of the Company
“Share Award Scheme”	has the meaning ascribed thereto under the section headed “APPROVAL BY INDEPENDENT SHAREHOLDERS” in this supplemental circular
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“TRATON SE”	a Societas Europaea (SE), incorporated and operating under the laws of the European Union and the Federal Republic of Germany, being a non-wholly owned subsidiary of FPFPS and the shares of which are listed on the Frankfurt Stock Exchange in Germany and NASDAQ STOCKHOLM (stock code: ISIN DE000TRAT0N7, WKN TRAT0N and symbol 8TRA)
“Trustee”	has the meaning ascribed thereto under the section headed “APPROVAL BY INDEPENDENT SHAREHOLDERS” in this supplemental circular
“%”	per cent

* For identification purposes only



SINOTRUK (HONG KONG) LIMITED

中國重汽(香港)有限公司

(incorporated in Hong Kong with limited liability)

(Stock Code: 03808)

Executive Directors:

Mr. Liu Zhengtao (*Chairman*)
Mr. Liu Wei (*President*)
Ms. Li Xia
Mr. Han Feng
Mr. Zhao Hua
Mr. Wang Dechun
Ms. Han Xing

Non-executive Directors:

Mr. Cheng Guangxu
Mr. Karsten Oellers
Mr. Mats Lennart Harborn

Independent non-executive Directors:

Dr. Wang Dengfeng
Mr. Zhao Hang
Mr. Lyu Shousheng
Mr. Zhang Zhong
Dr. Liu Xiaolun

Headquarters:

Sinotruk Tower
No. 777 Hua'ao Road
Innovation Zone
Ji'nan City, Shandong Province
PRC 250101

Registered office:

Units 2102-03
China Merchants Tower
Shun Tak Centre
168-200 Connaught Road Central
Hong Kong

18 May 2026

To the Shareholders

Dear Sir/Madam,

**(1) REVISION OF ANNUAL CAP OF EXISTING
CONTINUING CONNECTED TRANSACTIONS**

AND

**(2) RENEWAL OF EXISTING CONTINUING CONNECTED
TRANSACTIONS**

INTRODUCTION

Reference is made to the Company's announcement dated 27 March 2026 in respect of, *inter alia*, the Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement and the 2029 CNHTC Non-exempt CCT Agreements.

LETTER FROM THE BOARD

The purpose of this supplemental circular is to provide you with further details in relation to the Non-exempt Continuing Connected Transactions contemplated under (1) the Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement and the proposed Revised Cap, and (2) the 2029 CNHTC Non-exempt CCT Agreements and the relevant proposed New Caps, the letter from the Independent Board Committee and the letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders in relation to the same.

A notice convening the AGM is set out on pages AGM-1 to AGM-3 to the AGM Circular.

A. REVISION OF ANNUAL CAP OF EXISTING CONTINUING CONNECTED TRANSACTIONS

Reference is made to the Company's announcements dated 31 March 2023 and 25 March 2024, respectively, and the Company's circular dated 29 May 2023 and 24 May 2024, respectively, in respect of, *inter alia*, the First Supplemented 2026 CNHTC Purchase of Goods Agreement where the existing annual caps for such transactions were set.

Due to the operational needs of the Group, the Company expects that the existing annual cap for the year ending 31 December 2026 under the First Supplemented 2026 CNHTC Purchase of Goods Agreement will be insufficient. The Group therefore entered into the second supplemental agreement with the CNHTC to revise the annual cap for the year ending 31 December 2026, as more particularly detailed herein.

Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement

Having taken into account the reasons as further elaborated in the sub-section headed "Reasons for and benefits of entering into the Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement and basis for the proposed Revised Cap" below, the Group expects that the annual cap for the year ending 31 December 2026 under the First Supplemented 2026 CNHTC Purchase of Goods Agreement will be insufficient. Hence, the Company and CNHTC entered into the second supplemental agreement on 27 March 2026 (the "**Second Supplemental Agreement**") to revise the annual cap for the year ending 31 December 2026 under the First Supplemented 2026 CNHTC Purchase of Goods Agreement, to RMB11,000,000,000. The First Supplemented 2026 CNHTC Purchase of Goods Agreement as further supplemented by the Second Supplemental Agreement is referred to the "**Further Supplemented 2026 CNHTC Purchase of Goods Agreement**".

LETTER FROM THE BOARD

Save for the said revision of the existing annual cap to the proposed Revised Cap, all other material terms of the First Supplemented 2026 CNHTC Purchase of Goods Agreement shall remain unchanged. Details of the principal terms of the Further Supplemented 2026 CNHTC Purchase of Goods Agreement are as follows:

Date : 31 March 2023 (as supplemented by the relevant supplemental agreement dated 25 March 2024 and the Second Supplemental Agreement dated 27 March 2026)

Parties : (i) CNHTC
(ii) The Company

Term : Three years from 1 January 2024 to 31 December 2026 (both days inclusive)

Subject matter:

Pursuant to the Further Supplemented 2026 CNHTC Purchase of Goods Agreement, the CNHTC Group has agreed to sell vehicles, refitted trucks, chassis, add-on products such as trunks, flatbeds, tanks, etc. and semi-trailer truck (collectively, the “**Products For Purchase**”) as well as raw materials, parts and components, assemblies, semi-finished products (including but not limited to support assemblies and pedals), etc. (collectively, the “**Parts For Purchase**”) to the Group. The Products For Purchase and the Parts For Purchase are further collectively referred to as the “**Goods For Purchase**”.

Other terms and details:

Pursuant to the Further Supplemented 2026 CNHTC Purchase of Goods Agreement, separate agreements will be entered into by relevant members of the Group and relevant members of the CNHTC Group which will further provide the details of the products and/or parts to be purchased including the payment terms, product specifications, delivery time and quantity, as well as details of the related services required to be provided. The payment terms for each batch of products and/or parts, along with the related services, will be based on normal commercial terms or industry practices provided that full payment shall be made by way of cash, cheques, notes, bills or letters of credit within 90 days from the date of purchase.

LETTER FROM THE BOARD

Pricing

Pursuant to the Further Supplemented 2026 CNHTC Purchase of Goods Agreement, the Group and the CNHTC Group have agreed that, among other things, the price of the Goods For Purchase to be sold by the CNHTC Group to the Group shall be determined based on the following:

(a) Price list products

The CNHTC Group will provide the Group with a selling price list of its products which is applicable to all of its customers (the “**CNHTC Price List**”). Based on the CNHTC Price List and the price quotation offered by other qualified suppliers, the Group will negotiate with all qualified suppliers including the CNHTC Group to determine the agreed prices of all the products, after taking into consideration the market conditions at the relevant time, the size of orders and the technical conditions, and all the purchases of products from independent suppliers and the CNHTC Group will be fixed at these agreed prices. The Group will prepare a products purchase price list (the “**Internal Price List**”), which summarises all agreed products purchase prices with independent products suppliers and the CNHTC Group, for all procurement departments of the Group to follow.

(b) Add-on products

The trucks produced by the Group for sales are ready for operation and running. Some customers of the Group not only purchase the Group’s trucks but also request for add-on products such as trunks, flatbeds, tanks, etc. (the “**Refitted Products**”). In order to secure the sales of the trucks of the Group, the Group will cooperate with some refitting companies (including the CNHTC Group) to meet the additional specifications and demand from its customers. The CNHTC Group is one of the suppliers who supplies products including chassis and the Refitted Products to vehicle manufacturers for tailor-making the final products for sale to its customers in accordance with the requested specifications. The Group will prepare an authorised providers list of the Refitted Products.

Certain customers of the Group may negotiate the prices of the Refitted Products directly with the refitting companies (including the CNHTC Group). On the other hand, certain customers of the Group may request the Group to purchase the Refitted Products on their behalf. The Group will select the authorised provider for its customers, which may include the CNHTC Group. In both cases, the Group will bill its customers for the Refitted Products at reimbursement basis which is either at the prices as agreed between the customers and the refitting companies (including the CNHTC Group) or at stipulated prices between the Group and the refitting companies (including the CNHTC Group). As by providing a choice to its customers to request for such add-on products, the Group is able to cater to the specific needs of its customers and supply tailor-made products, which in turn increases the sales volume of the Group’s trucks and the profits generated from the sale of trucks. The Group will then sell the final tailor-made products to its customers at a price which covers the price of the trucks produced by the Group and the reimbursement cost of the Refitted Products.

LETTER FROM THE BOARD

(c) The CNHTC Group's products

The Group does not produce certain special type of trucks such as mining vehicles and port towing vehicles, which the CNHTC Group may produce. If certain customers approach the Group for such types of products, the Group will source the same from the CNHTC Group and sell to the customers. The Group will refer to the product price list compiled by the CNHTC Group which is applicable to all its customers including independent customers and the Group and confirm the price of these products with its customers. Upon confirmation of the orders by the customers, the Group will purchase the relevant products from the CNHTC Group at such prices. The Group will then sell the relevant products to its customers with expected profit margins from 5% to 20% which were determined with reference to (a) the average profit margin of vehicles and the related manufacturing industry as published by the SASAC which were summarised in the 「企業績效評價標準值2025」 (Overall Enterprises Performance Appraisal Index — 2025*) published by the SASAC in 2025 (the “**Performance Appraisal Index**”) and (b) the historical profit margins of similar products sold to independent customers of the Group.

國務院國資委考核分配局 (Bureau of Performance Evaluation and Remuneration of SASAC*) prepared the Performance Appraisal Index in accordance with the relevant national regulations of the PRC and compiled the performance indicators including the profit margins of different industries including the automobile industry in 2024. These performance indicators were determined by mathematical statistics methods with reference to the financial statements of the state-owned enterprises of the relevant industries, the statistics data provided by the relevant statistics authorities of the PRC, the performance information of the relevant industrial associations and the objective analysis of the operation status of the various industries of national economy in the PRC in 2024. The sales profit margins published in the Performance Appraisal Index are neither government-prescribed price nor guidance price.

In light of the above, the terms of the supplies offered by the CNHTC Group to the Group under the Further Supplemented 2026 CNHTC Purchase of Goods Agreement shall be no less favourable to the Group than those offered by independent third parties to the Group.

LETTER FROM THE BOARD

Existing annual caps, historical transaction amounts and the proposed Revised Cap

The following table summarises (i) the existing annual caps for the transactions contemplated under the First Supplemented 2026 CNHTC Purchase of Goods Agreement for the three years ending 31 December 2026, (ii) the actual transaction amounts for the three years ending 31 December 2026, and (iii) the proposed Revised Cap for the year ending 31 December 2026 as set out in the Second Supplemental Agreement, respectively:

	Existing annual cap	Historical transaction amount	Proposed Revised Cap
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
For the year ended 31 December 2024	6,410,000	5,164,049	Not applicable
For the year ended 31 December 2025	6,930,000	5,882,735	Not applicable
For the year ending 31 December 2026	7,450,000	972,756 ^(note)	11,000,000

Note: This refers to the actual transaction amount under the First Supplemented 2026 CNHTC Purchase of Goods Agreement for the two months ended 28 February 2026.

As at the date of this announcement, the existing annual cap for the year ending 31 December 2026 under the First Supplemented 2026 CNHTC Purchase of Goods Agreement has not been exceeded.

Pursuant to Rule 14A.54, if the Company proposes to revise the annual cap for continuing connected transactions or if material changes are made to the terms of the continuing connected transactions, the Company will have to re-comply with the relevant provisions under Chapter 14A of the Listing Rules in relation to the relevant continuing connected transactions. The Second Supplemental Agreement and the proposed Revised Cap are subject to the reporting, announcement, annual review, and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Internal control procedures

In order to ensure that the prices of the products of each of the transactions are determined in accordance with the pricing policy applicable to the Further Supplemented 2026 CNHTC Purchase of Goods Agreement and the prices are no less favourable than those provided to the Group by independent third parties, the Group will ask for quotations from the independent third party suppliers and the CNHTC Group. Based on these quotations, it will cross check the prices of the products offered by the independent third party suppliers and the CNHTC Price List. If the Group also produces such products, it will also compare the intragroup selling prices of the Group against the CNHTC Price List. The Group will then negotiate with the independent third party suppliers and the CNHTC Group to finalise the prices of the products and compile or update the Internal Price List for the relevant products to be purchased, after taking into

LETTER FROM THE BOARD

consideration the market conditions at the relevant time and the technical conditions, for all procurement departments of the Group to follow. By conducting the aforesaid comparisons of the prices of the products offered by the CNHTC Group, the Group ensures that the prices of the products offered by the CNHTC Group are fair and reasonable.

In addition, when it involves newly developed products or annual purchases of products in bulk, the procurement department of subsidiaries or the Group may use the open tender for procurement by inviting at least two to three independent suppliers and the CNHTC Group. The quotation review committee of the Group comprising experts from the procurement department, the technical department and the finance department will review and assess the quotations from technical, commercial and financial perspectives and make recommendations to the responsible management or executive Directors. The value engineering department of the Group will oversee the quotation review process to ensure that the prices of the products to be purchased from the CNHTC Group are competitive and comparable to those offered by independent third parties.

Further, the Company has established procedures for monitoring the Continuing Connected Transactions, in which various departments of the Group will be responsible for the implementation, monitoring and review of such procedures. The securities management department of the Group (“**Securities Management Department**”) carries out Regular CCT Meetings to monitor and ensure all the relevant Continuing Connected Transactions are in compliance with the relevant rules and regulations. The Group’s finance Department (“**Group Finance Department**”) prepares, on a monthly basis, the maximum day-end balance and/or the accumulated annual transaction amount (as the case may be) of each Continuing Connected Transaction (“**Monthly CCT Transactions Summary**”) checks the maximum day-end balance and/or the accumulated annual transaction amount (as the case may be) of each Continuing Connected Transaction against the respective pre-approved cap. If any maximum day-end balance and/or the accumulated annual transaction amount (as the case may be) exceeds 70% of the pre-approved annual cap, the relevant Continuing Connected Transaction will be reported to the Securities Management Department for monitoring, follow-up and, if necessary, revision of the annual cap in accordance with the requirements of the Listing Rules. The Group’s internal audit department (“**Group Internal Audit Department**”) will conduct semi-annual and annual reviews to check whether these transactions are conducted in accordance with the established procedures and internal controls (“**Internal Review**”) and assess the effectiveness of the internal controls. In addition, the external auditors will conduct an annual review of the relevant Continuing Connected Transactions of the Group to report the Board whether there are any unapproved Continuing Connected Transactions or any non-compliance, in all material respects, of the pricing policies and terms of the Continuing Connected Transactions, including any exceeding of the pre-approved annual caps (“**Annual CCT Review Reporting**”).

Reasons for and benefits of entering into the Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement and basis for the proposed Revised Cap

Pursuant to the First Supplemental 2026 CNHTC Purchase of Goods Agreement, the existing annual caps for the purchase of the Goods For Purchase by the Group from the CNHTC Group for the three years ending 31 December 2026 are RMB6,410,000,000, RMB6,930,000,000 and RMB7,450,000,000.

LETTER FROM THE BOARD

The Group has been purchasing the Goods For Purchase from the CNHTC Group to satisfy the orders from its customers for a long time. The past cooperation has proven that the CNHTC Group is able to supply the products and parts meeting the Group's quality requirements and standards in a timely and cost efficient manner. The Group believes that such long-term business relationship enables the CNHTC Group to respond to and cater for the specifications and requirements of the Group with high efficiency even when there are changes of requirements, which further allows the Group to generate additional business and revenue stream.

As the market conditions are expected to be better than what was expected when the existing annual caps were last determined in March 2024, particularly due to the expected increase in the export volume, it will also result in the corresponding increase in the purchase of the Products For Purchase by the Group from the CNHTC Group in order to satisfy the Group's export demand. The export volume of the Group for the year 2025 amounted to an increase of approximately 9.9% compared to that for the year 2024, and it is expected that such an increasing trend will be maintained for the year 2026.

As a result, the actual transaction amount between the Group and the CNHTC Group under the First Supplemented 2026 CNHTC Purchase of Goods Agreement grew from approximately RMB5,164 million for the year 2024 to approximately RMB5,883 million for the year 2025, representing a growth rate of approximately 13.9% from 2024 to 2025.

On the other hand, the Group expects a substantial growth in the transaction amount between the Group and the CNHTC Group under the Further Supplemented 2026 CNHTC Purchase of Goods Agreement for the year 2026, based on a number of additional growth factors. Firstly, in 2026, driven by continued growth in overseas sales, the Group's procurement demand for vehicle modifications is expected to increase by 18%.

Further, in 2026, the CNHTC Group has launched a new battery assembly business, and the Group expects to adjust its procurement of battery assemblies previously sourced from independent third parties to the CNHTC Group. As new energy product penetration gradually increases, the Group expects to add approximately RMB2,000 million in procurement demand for battery assemblies from the CNHTC Group in 2026.

For the abovementioned reasons, the increase in the proposed Revised Cap for the year ending 31 December 2026 under the Further Supplemented 2026 CNHTC Purchase of Goods Agreement is mainly attributable to the expected increase in the purchase of the Products For Purchase. The relevant proposed Revised Cap, which would represent a growth rate of about 87.0% from the actual transaction amount for the year 2025, was determined with reference to (i) the historical actual transaction amount for the year 2025; (ii) the historical transaction amounts for the two months ended 28 February 2026; and (iii) the latest expected substantial increase in demand of the Group for the Goods For Purchase based on the anticipated increase as described above.

The terms of the Second Supplemental Agreement regarding the revision of the annual cap for the year ending 31 December 2026 were made after arm's length negotiations between the Company and CNHTC. The Board (excluding the independent non-executive Directors who will express their views in the circular after considering the advice of the Independent Financial

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Adviser and excluding the CNHTC Interested Directors) is of the view that such terms are fair and reasonable, on normal commercial terms or on terms which are no less favourable than those the CNHTC Group offers to independent third parties under prevailing local market conditions, and in the interests of the Company and the Shareholders as a whole, and the aforesaid supplemental agreement has been entered into in the ordinary and usual course of business of the Group.

B. RENEWAL OF EXISTING CONTINUING CONNECTED TRANSACTIONS

Reference is made to the Company's announcements dated 31 March 2023 and 25 March 2024, respectively, and the Company's circular dated 29 May 2023 and 24 May 2024 respectively, in respect of, *inter alia*, certain Continuing Connected Transactions of the Company where the existing annual caps for such Continuing Connected Transactions were set. Each of the 2026 CNHTC CCT Agreements is due to expire on 31 December 2026.

The 2026 CNHTC CCT Agreements which governs certain continuing connected transactions between the Group and the CNHTC Group shall expire by the end of 2026, and the Company intends to continue to carry out such continuing connected transactions following expiry of the 2026 CNHTC CCT Agreements.

Accordingly, on 27 March 2026, the Company (for itself and on behalf of its subsidiaries) and CNHTC (for itself and on behalf of the CNHTC Group) entered into each of the 2029 CNHTC Non-exempt CCT Agreements on terms substantially the same as those of the 2026 CNHTC CCT Agreements. Each of the 2029 CNHTC Non-exempt CCT Agreements has a term of three years commencing on 1 January 2027 and ending on 31 December 2029.

Set out below are the details of the 2029 CNHTC Non-exempt CCT Agreements.

1. 2029 CNHTC Sale of Goods Agreement

The Supplemented 2026 CNHTC Sale of Goods Agreement will expire by the end of 2026 and the Group intends to continue the relevant transactions with the CNHTC Group by entering into the 2029 CNHTC Sale of Goods Agreement. The material terms of the 2029 CNHTC Sale of Goods Agreement are substantially the same as those of the Supplemented 2026 CNHTC Sale of Goods Agreement.

The principal terms of the 2029 CNHTC Sale of Goods Agreement and the transactions contemplated thereunder are as follows:

Date	:	27 March 2026
Parties	:	(i) CNHTC (ii) The Company
Term	:	Three years from 1 January 2027 to 31 December 2029 (both days inclusive)

LETTER FROM THE BOARD

Subject matter:

Pursuant to the 2029 CNHTC Sale of Goods Agreement, the Group has agreed to supply products including trucks, chassis and semi-tractor trucks (collectively, the “**Products For Sale**”), as well as raw materials, parts, components and semi-finished products etc. (collectively, the “**Parts For Sale**”) to the CNHTC Group. The Products For Sale and the Parts For Sales are further collectively referred to as the “**Goods For Sale**”.

Other terms and details:

Pursuant to the terms of the 2029 CNHTC Sale of Goods Agreement, separate agreements will be entered into by relevant members of the Group and relevant members of the CNHTC Group which will further provide the details of the products and/or parts to be sold including the payment terms, product specifications, delivery time and quantity, as well as details of the related services required to be provided. The payment terms for each batch of products and/or parts, along with the related services, will be based on normal commercial terms or industry practices provided that full payment shall be made by way of cash, cheques, notes, bills or letters of credit within 120 days from the date of sale.

Pricing

Pursuant to the 2029 CNHTC Sale of Goods Agreement, the Group and the CNHTC Group have agreed that, among other things, the price of the Goods For Sale to be sold to the CNHTC Group by the Group shall be determined based on the following:

(a) Price list products

The price of the Goods For Sale to be sold to the CNHTC Group by the Group shall be determined through good faith negotiations by reference to the same price lists which are applicable to sales of Goods For Sale to both of the CNHTC Group and independent third parties. Such prices offered to both the CNHTC Group and independent third parties will also take into consideration the market conditions at the relevant time and the size of orders. The Group has maintained a standard price list in respect of Products For Sale (the “**Products Price List**”) and a parts price list for off-the-shelf parts of Parts For Sale (the “**Parts Price List**”) for a long period of time.

(b) For unique and proprietary parts

Since there is no prevailing market price for such Parts For Sale, a cost plus profit margin approach is adopted for determining the prices for such parts. The profit margins of the Parts For Sales to be supplied by the Group under the 2029 CNHTC Sale of Goods Agreement will be between 5% to 20% which were determined with reference to (1) the average profit margin of vehicles and the related manufacturing industry as published by the SASAC to independent third parties which were summarised in the Performance Appraisal Index, and (2) the historical profit margins of similar parts sold by the Group to independent third parties.

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國務院國資委考核分配局 (Bureau of Performance Evaluation and Remuneration of SASAC*) prepared the Performance Appraisal Index in accordance with the relevant national regulations of the PRC and complied the performance indicators including the profit margins of different industries including the automobile industry in 2024. These performance indicators were determined by mathematical statistics methods with reference to the financial statements of the state-owned enterprises of the relevant industries, the statistics data provided by the relevant statistics authorities of the PRC, the performance information of the relevant industrial associations and the objective analysis of the operation status of the various industries of national economy in the PRC in 2024. The sales profit margins published in the Performance Appraisal Index are neither government-prescribed price nor guidance price. Based on data from the past three years, sales profit margins of the relevant parts subject to the 2029 CNHTC Sale of Goods Agreement are determined to remain in the range of 5% to 20%.

In light of the above, the terms of the sales offered by the Group to the CNHTC Group under the 2029 CNHTC Sale of Goods Agreement shall be no more favourable than those made available by the Group to the independent third parties with similar terms.

Existing annual caps and Historical Transaction Amounts

The following table summarises the existing annual caps and approximate historical transaction amounts for the transactions contemplated under the Supplemented 2026 CNHTC Sale of Goods Agreement for the three years ending 31 December 2026, respectively.

	For the year ended 31 December 2024	For the year ended 31 December 2025	For the year ending 31 December 2026
	<i>(RMB'000)</i>	<i>(RMB'000)</i>	<i>(RMB'000)</i>
Existing annual caps	7,306,000	13,239,000	21,561,000
Historical transaction amounts	6,339,674	4,151,017	495,949 ^(note)

Note: This refers to the actual transaction amount under the Supplemented 2026 CNHTC Sale of Goods Agreement for the first two months ended 28 February 2026.

Proposed New Caps and basis

The following table shows the proposed New Caps for the three years ending 31 December 2029 for the transactions contemplated under the 2029 CNHTC Sale of Goods Agreement:

	For the year ending 31 December 2027	For the year ending 31 December 2028	For the year ending 31 December 2029
	<i>(RMB'000)</i>	<i>(RMB'000)</i>	<i>(RMB'000)</i>
Proposed New Caps	6,000,000	7,000,000	8,000,000

LETTER FROM THE BOARD

The proposed New Caps for the three years ending 31 December 2029 for the transactions contemplated under the 2029 CNHTC Sale of Goods Agreement were determined after considering the following factors:

- (i) the historical transaction amounts under the Supplemented 2026 CNHTC Sale of Goods Agreement for the two years ended 31 December 2024, 31 December 2025 and the two months ended 28 February 2026;
- (ii) driven by macroeconomic and policy factors, the phase-out and replacement of aged vehicles, the dual-carbon strategy and other initiatives continue to stimulate vehicle replacement demand; demand for new energy vehicles is accelerating, with penetration rates rising steadily. The heavy duty trucks sector benefits from vehicle replacement cycles, the Belt and Road Initiative, and improvements in technology and quality, with industry export volumes expected to stabilize at approximately 300,000 units, reflecting an overall recovery growth trend. The light duty trucks sector sees steady market demand growth propelled by aged vehicle replacement, consumption upgrading, e-commerce logistics, and community economy expansion, with products evolving toward high-end and intelligent development and new energy penetration rates continuing to rise;
- (iii) leveraging a rich and competitive product portfolio, particularly the good development momentum of financing leasing business for new energy products which is newly carried out by CNHTC Group, the CNHTC Group has steadily increased its market share, thereby intensifying procurement from the Group. Specifically, the CNHTC Group has continued to refine its leasing business (both heavy duty trucks and light duty trucks) model and is expected to purchase of trucks from the Group around 3,000 units in 2026 and to increase to 6,500 units in 2029 and an expected compound annual growth rate of 37% from 2026 to 2029; meanwhile, increased sales of vehicles made by the CNHTC Group have driven steady growth in its component procurement requirements; and
- (iv) The proposed New Cap for the year ending 31 December 2027 is set at RMB6,000 million, representing a decrease of approximately 72% from the cap for the year ending 31 December 2026. This is mainly attributable to the Group's new energy vehicle units previously being sold through the CNHTC Group and its new energy subsidiaries, which will gradually transition to direct sales by the Group. Accordingly, the cap for 2027 has been adjusted downward.

Taking into account and on the basis of the aforesaid factors, the proposed New Cap for the year ending 31 December 2027 has been set at RMB6,000 million which represents a decrease of approximately 72% from that of the year ending 31 December 2026, and it is estimated that the relevant transaction amount will increase by approximately 17% to RMB7,000 million for the year ending 31 December 2028 and further by approximately 14% to RMB8,000 million for the year ending 31 December 2029.

LETTER FROM THE BOARD

The 2029 CNHTC Sale of Goods Agreement and the relevant proposed New Caps are subject to the reporting, announcement, annual review, and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Internal control procedures

In order to ensure that the prices of each of the transactions are determined in accordance with the pricing policy applicable to the 2029 CNHTC Sale of Goods Agreement and that the prices are no more favourable to the CNHTC Group than those offered to independent third parties, the prices of the transactions will be determined by the same price lists available to all customers of the Group including independent customers and the CNHTC Group, which are approved by the responsible management or executive Directors. The price lists is reviewed on an annual basis. Hence, as the price lists are applicable to all of the Group's customers, the prices offered to the CNHTC Group will be no more favourable than those offered to independent customers. The final price is determined by the contracting parties' business teams with reference to the same price lists, the overall market circumstances, size of the order and payment methods which is based on the principles of fairness and reasonableness, and such price will be ultimately approved by the senior management of the Company or its relevant subsidiaries. Before the launch of sales promotion, the senior management of the Group first approves the sales promotional programs which are applicable to all customers including independent third parties. The business department will update the promotion prices to the sales and operating systems and the internal audit departments of the subsidiaries or the Group will carry out periodic sample-testing over such promotion prices.

Further, the Company has established procedures for monitoring the Continuing Connected Transactions in which various departments of the Group will be responsible for the implementation, monitoring and review of such procedures. The Securities Management Department carries out Regular CCT Meetings to monitor and ensure all the relevant Continuing Connected Transactions are in compliance with the relevant rules and regulations. The Group Finance Department prepares the Monthly CCT Transactions Summary and checks the maximum day-end balance and/or the accumulated annual transaction amount (as the case may be) of each Continuing Connected Transaction against the respective pre-approved cap. If any maximum day-end balance and/or the accumulated annual transaction amount (as the case may be) exceeds 70% of the pre-approved annual cap, the relevant Continuing Connected Transaction will be reported to the Securities Management Department for monitoring, follow-up and, if necessary, revision of the annual cap in accordance with the requirements of the Listing Rules. The Group Internal Audit Department will conduct semi-annual and annual Internal Review and assess the effectiveness of the internal controls. In addition, the external auditors will conduct Annual CCT Review Reporting.

Reasons for and benefits of entering into the 2029 CNHTC Sale of Goods Agreement

The CNHTC Group has been purchasing Goods For Sale from the Group to produce and/or refit the trucks purchased from the Group into other types of vehicles to satisfy its orders for a long time. The 2026 CNHTC Products Sales Agreement, which governs such transactions, will expire by the end of 2026 and the Group intends to continue the relevant transactions with the CNHTC Group.

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As a result of the long-term and stable purchase of Goods For Sales by the CNHTC Group, the Group can better utilize the production facility which will improve its production efficiency and production profit margin, and generate a stable revenue stream to the Group.

The terms of the 2029 CNHTC Sale of Goods Agreement were made after arm's length negotiations between the Company and CNHTC.

The Board (excluding the independent non-executive Directors who will express their views in the circular after considering the advice of the Independent Financial Adviser and excluding the CNHTC Interested Directors) is of the view that the transactions contemplated under the 2029 CNHTC Sale of Goods Agreement are on normal commercial terms, or on terms which are no more favourable than those the Group offers to independent third parties under prevailing local market conditions, 2029 CNHTC Sale of Goods Agreement was entered into in the ordinary and usual course of business of the Group, and the terms of the transactions under the 2029 CNHTC Sale of Goods Agreement (including the proposed New Caps) are fair and reasonable, and are in the interests of the Company and the Shareholders as a whole.

2. 2029 CNHTC Purchase of Goods Agreement

The Further Supplemented 2026 CNHTC Purchase of Goods Agreement will expire by the end of 2026 and the Group intends to continue the relevant transactions with the CNHTC Group by entering into the 2029 CNHTC Purchase of Goods Agreement. The material terms of the 2029 CNHTC Purchase of Goods Agreement are substantially the same as those of the Further Supplemented 2026 CNHTC Purchase of Goods Agreement.

The principal terms of the 2029 CNHTC Purchase of Goods Agreement and the transactions contemplated thereunder are as follows:

Date	:	27 March 2026
Parties	:	(i) CNHTC (ii) The Company
Term	:	Three years from 1 January 2027 to 31 December 2029 (both days inclusive)

Subject matter:

Pursuant to the 2029 CNHTC Purchase of Goods Agreement, the CNHTC Group has agreed to sell Goods For Purchase including vehicles, refitted trucks, chassis, add-on products such as trunks, flatbeds, tanks, semi-trailer truck, raw materials, parts and components, assemblies and semi-finished products (including but not limited to support assemblies and pedals), etc. to the Group.

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Other terms and details:

Pursuant to the 2029 CNHTC Purchase of Goods Agreement, separate agreements will be entered into by relevant members of the Group and relevant members of the CNHTC Group which will further provide the details of the products and/or parts to be purchased including the payment terms, product specifications, delivery time and quantity, as well as details of the related services required to be provided. The payment terms for each batch of products and/or parts, along with the related services, will be based on normal commercial terms or industry practices provided that full payment shall be made by way of cash, cheques, notes, bills or letters of credit within 120 days from the date of purchase.

Pricing

Pursuant to 2029 CNHTC Purchase of Goods Agreement, the Group and the CNHTC Group have agreed that, among other things, the price of the Goods For Purchase to be sold by the CNHTC Group to the Group shall be determined based on the following:

(a) Price list products

The CNHTC Group will provide the Group with the CNHTC Price List which is applicable to all of its customers. Based on the CNHTC Price List and the price quotation offered by other qualified suppliers, the Group will negotiate with all qualified suppliers including the CNHTC Group to determine the agreed prices of all the products, after taking into consideration the market conditions at the relevant time, the size of orders and the technical conditions, and all the purchases of products from independent suppliers and the CNHTC Group will be fixed at these agreed prices. The Group will prepare the Internal Price List, which summarises all agreed products purchase prices with independent products suppliers and the CNHTC Group, for all procurement departments of the Group to follow.

(b) Add-on products

The trucks produced by the Group for sales are ready for operation and running. Some customers of the Group not only purchase the Group's trucks but also request for the Refitted Products. In order to secure the sales of the trucks of the Group, the Group will cooperate with some refitting companies (including the CNHTC Group) to meet the additional specifications and demand from its customers. The CNHTC Group is one of the suppliers who supplies products including chassis and the Refitted Products to vehicle manufacturers for tailor-making the final products for sale to its customers in accordance with the requested specifications. The Group will prepare an authorised providers list of the Refitted Products.

Certain customers of the Group may negotiate the prices of the Refitted Products directly with the refitting companies (including the CNHTC Group). On the other hand, certain customers of the Group may request the Group to purchase the Refitted Products on their behalf. The Group will select the authorised provider for its customers, which may include the CNHTC Group. In both cases, the Group will bill its customers for the Refitted Products at reimbursement basis which is either at the prices as agreed between the customers and the refitting companies (including the CNHTC Group) or at stipulated prices between the Group and

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the refitting companies (including the CNHTC Group). As by providing a choice to its customers to request for such add-on products, the Group is able to cater to the specific needs of its customers and supply tailor-made products, which in turn increases the sales volume of the Group's trucks and the profits generated from the sale of trucks. The Group will then sell the final tailor-made products to its customers at a price which covers the price of the trucks produced by the Group and the reimbursement cost of the Refitted Products.

(c) The CNHTC Group's products

The Group does not produce certain special type of trucks such as mining vehicles and port towing vehicles, which the CNHTC Group may produce. If certain customers approach the Group for such types of products, the Group will source the same from the CNHTC Group and sell to the customers. The Group will refer to the product price list compiled by the CNHTC Group which is applicable to all its customers including independent customers and the Group and confirm the price of these products with its customers. Upon confirmation of the orders by the customers, the Group will purchase the relevant products from the CNHTC Group at such prices. The Group will then sell the relevant products to its customers with expected profit margins from 5% to 20% which were determined with reference to (a) the average profit margin of vehicles and the related manufacturing industry as published by the SASAC which were summarised in the Performance Appraisal Index and (b) the historical profit margins of similar products sold to independent customers of the Group.

國務院國資委考核分配局 (Bureau of Performance Evaluation and Remuneration of SASAC*) prepared the Performance Appraisal Index in accordance with the relevant national regulations of the PRC and complied the performance indicators including the profit margins of different industries including the automobile industry in 2024. These performance indicators were determined by mathematical statistics methods with reference to the financial statements of the state-owned enterprises of the relevant industries, the statistics data provided by the relevant statistics authorities of the PRC, the performance information of the relevant industrial associations and the objective analysis of the operation status of the various industries of national economy in the PRC in 2024. The sales profit margins published in the Performance Appraisal Index are neither government-prescribed price nor guidance price.

In light of the above, the terms of the supplies offered by the CNHTC Group to the Group under the 2029 CNHTC Purchase of Goods Agreement shall be no less favourable to the Group than those offered by independent third parties to the Group.

LETTER FROM THE BOARD

Existing annual caps and historical transaction amounts

The following table summarises the existing annual caps, the proposed Revised Cap and approximate historical transaction amounts of the transactions contemplated under the Further Supplemented 2026 CNHTC Purchase of Goods Agreement for the three years ending 31 December 2026.

	For the year ended 31 December 2024 (RMB'000)	For the year ended 31 December 2025 (RMB'000)	For the year ending 31 December 2026 (RMB'000)
Existing annual caps/ proposed Revised Cap	6,410,000	6,930,000	11,000,000 ^(note 1)
Historical transaction amounts	5,164,049	5,882,735	972,756 ^(note 2)

Note: 1. The proposed Revised Cap under the Further Supplemented 2026 CNHTC Purchase of Goods Agreement, which is subject to the Independent Shareholders' approval, as supplemented by the Second Supplemental Agreement is set out herein.

Please refer to the section headed "I. REVISION OF ANNUAL CAP OF EXISTING CONTINUING CONNECTED TRANSACTIONS — Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement" for further details.

2. This refers to the actual transaction amount under the First Supplemented 2026 CNHTC Purchase of Goods Agreement for the first two months ended 28 February 2026.

Proposed New Caps and basis

The following table shows the proposed New Caps for the three years ending 31 December 2029 for the transactions contemplated under the 2029 CNHTC Purchase of Goods Agreement:

	For the year ending 31 December 2027 (RMB'000)	For the year ending 31 December 2028 (RMB'000)	For the year ending 31 December 2029 (RMB'000)
Proposed New Caps	12,000,000	13,000,000	13,500,000

LETTER FROM THE BOARD

The proposed New Caps for the three years ending 31 December 2029 for the transactions contemplated under the 2029 CNHTC Purchase of Goods Agreement were determined after considering the following factors:

- (i) the historical transaction amounts under the First Supplemented 2026 CNHTC Purchase of Goods Agreement for the two years ended 31 December 2024, 31 December 2025 and the two months ended 28 February 2026;
- (ii) the revision of the annual cap for the year ending 31 December 2026 under the First Supplemented 2026 CNHTC Purchase of Goods Agreement, in particularly, (a) driven by continued growth in overseas sales, the Group's procurement demand for vehicle modifications is expected to increase by 18% in 2026; and (b) in 2026, the CNHTC Group has launched a new battery assembly business. As new energy product penetration gradually increases, the Group expects to add approximately RMB2,000 million in procurement demand for battery assemblies from the CNHTC Group in 2026;
- (iii) the demand for battery from the CNHTC Group is expected to further increase year by year in line with the expectation of the growth of the new energy commercial vehicles market;
- (iv) Given the expected increase in sales volume of the Group, in order to meet production, operation and market demand, it is expected that there will be an increase in the Purchase of Goods by the Group from the CNHTC Group, in particular, dashboard camera and 8AT automatic transmissions, etc. which are parts that the Group does not manufacture; and
- (v) certain members of the CNHTC Group, being located in the proximity of the Group's production facilities, had been providing Refitted Products to the Group of reliable quality. Against such track record, it is expected that more refitting service jobs will be assigned to the CNHTC Group directly by the customers and by the Group during the term of the 2029 CNHTC Purchase of Goods Agreement. With the Group's improved sales network and its advantages in the overseas market since 2022, which trend is expected to continue in the coming years, sales of the Group's products are expected to increase accordingly. Hence, demands for products from the CNHTC Group, who has the track record of providing quality products to the Group in an efficient manner, is expected to increase mildly by approximately 4% to 9% for each of the three years ending 31 December 2029.

The proposed Annual Cap for the year ending 31 December 2027 is set at RMB12,000 million, representing an increase of approximately 9% from the proposed Revised Cap of RMB11,000 million for the year ending 31 December 2026. The relevant transaction amount for 2028 is estimated to increase by approximately 8% to RMB13,000 million, and further increase by approximately 4% to RMB13,500 million for 2029.

LETTER FROM THE BOARD

The 2029 CNHTC Purchase of Goods Agreement and the relevant proposed New Caps are subject to the reporting, announcement, annual review, and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Internal control procedures

In order to ensure that the prices of the products of each of the transactions are determined in accordance with the pricing policy applicable to the 2029 CNHTC Purchase of Goods Agreement and the prices are no less favourable than those provided to the Group by independent third parties, the Group will ask for quotations from the independent third party suppliers and the CNHTC Group. Based on these quotations, it will cross check the prices of the products offered by the independent third party suppliers and the CNHTC Price List. If the Group also produces such products, it will also compare the intragroup selling prices of the Group against the CNHTC Price List. The Group will then negotiate with the independent third party suppliers and the CNHTC Group to finalise the prices of the products and compile or update the Internal Price List for the relevant products to be purchased, after taking into consideration the market conditions at the relevant time and the technical conditions, for all procurement departments of the Group to follow. By conducting the aforesaid comparisons of the prices of the products offered by the CNHTC Group, the Group ensures that the prices of the products offered by the CNHTC Group are fair and reasonable.

In addition, when it involves newly developed products or annual purchases of products in bulk, the procurement department of subsidiaries or the Group may use the open tender for procurement by inviting at least two to three independent suppliers and the CNHTC Group. The quotation review committee of the Group comprising experts from the procurement department, the technical department and the finance department will review and assess the quotations from technical, commercial and financial perspectives and make recommendations to the responsible management or executive Directors. The value engineering department of the Group will oversee the quotation review process to ensure that the prices of the products to be purchased from the CNHTC Group are competitive and comparable to those offered by independent third parties.

Further, the Company has established procedures for monitoring the Continuing Connected Transactions in which various departments of the Group will be responsible for the implementation, monitoring and review of such procedures. The Securities Management Department carries out Regular CCT Meetings to monitor and ensure all the relevant Continuing Connected Transactions are in compliance with the relevant rules and regulations. The Group Finance Department prepares the Monthly CCT Transactions Summary and checks the maximum day-end balance and/or the accumulated annual transaction amount (as the case may be) of each Continuing Connected Transaction against the respective pre-approved cap. If any maximum day-end balance and/or the accumulated annual transaction amount (as the case may be) exceeds 70% of the pre-approved annual cap, the relevant Continuing Connected Transaction will be reported to the Securities Management Department for monitoring, follow-up and, if necessary, revision of the annual cap in accordance with the requirements of the Listing Rules. The Group Internal Audit Department will conduct semi-annual and annual Internal Review and assess the effectiveness of the internal controls. In addition, the external auditors will conduct Annual CCT Review Reporting.

LETTER FROM THE BOARD

Reasons for and benefits of entering into the 2029 CNHTC Purchase of Goods Agreement

The CNHTC Group has been supplying raw materials, parts and components, battery, assemblies, semi-finished products and the Refitted Products, etc. to the Group. The Further Supplemented 2026 CNHTC Purchase of Goods Agreement, which governs such transactions, will expire by the end of 2026 and the Group intends to continue the relevant transactions with the CNHTC Group.

The long-term business relationship between the Group and the CNHTC Group causes the CNHTC Group being familiar with the Group's products and the Refitted Products and enables the CNHTC Group to respond and cater for the products specifications and requirements of the Group quickly and in a cost efficient manner, and this will enable the Group to respond to the changes of the demand of the Group's products quickly and effectively and result in generating additional business and revenue stream of the Group.

The terms of the 2029 CNHTC Purchase of Goods Agreement were made after arm's length negotiations between the Company and CNHTC.

The Board (excluding the independent non-executive Directors who will express their views in the circular after considering the advice of the Independent Financial Adviser and excluding the CNHTC Interested Directors) is of the view that the transactions contemplated under the 2029 CNHTC Purchase of Goods Agreement is on normal commercial terms, or on terms which are no less favourable than those the CNHTC Group offers to independent third parties under prevailing local market conditions, the 2029 CNHTC Purchase of Goods Agreement was entered into in the ordinary and usual course of business of the Group, and the terms of the transactions under the 2029 CNHTC Purchase of Goods Agreement (including the proposed New Caps) are fair and reasonable, and are in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

CNHTC is a controlling shareholder of the Company and a connected person of the Company. Accordingly, the transactions between the Group and the CNHTC Group as contemplated under (i) the second supplemental agreement to the 2026 CNHTC Purchase of Goods Agreement as set out in section A in the letter from the Board contained in this supplemental circular, and (ii) the 2029 CNHTC Non-exempt CCT Agreements as set out in section B in the letter from the Board contained in this supplemental circular, constitute continuing connected transactions of the Company.

Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement

Pursuant to Rule 14A.54, if the Company proposes to revise the annual caps for continuing connected transactions or if material changes is made to the terms of the continuing connected transactions, the Company will have to re-comply with the relevant provisions under Chapter 14A of the Listing Rules in relation to the relevant continuing connected transactions.

LETTER FROM THE BOARD

In respect of the proposed Revised Cap, as the highest applicable percentage ratio (on an annual basis) exceeds 5%, the proposed Revised Cap and the Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement is subject to the reporting, announcement, annual review, circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

Renewal of Continuing Connected Transactions

As the highest percentage ratio calculated pursuant to the Listing Rules in respect of the transactions contemplated under the 2029 CNHTC Non-exempt CCT Agreements (on an annual basis) exceeds 5%, the 2029 CNHTC Non-exempt CCT Agreements and their proposed New Caps will be subject to the reporting and announcement requirements, the annual review requirements, and the Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

At the Board meeting held on 27 March 2026 approving, inter alia, the Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement and the 2029 CNHTC Non-exempt CCT Agreements, in view of their respective positions in the relevant connected persons, the CNHTC Interested Directors, namely Mr. Liu Zhengtao, Mr. Liu Wei, Ms. Li Xia, Mr. Han Feng, Mr. Zhao Hua and Mr. Wang Dechun have abstained from voting on the resolutions approving the the Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement and the 2029 CNHTC Non-exempt CCT Agreements. Save as disclosed above, none of the Directors has a material interest in the Continuing Connected Transactions.

APPROVAL BY INDEPENDENT SHAREHOLDERS

According to Chapter 14A of the Listing Rules, the Company will seek approval from the Independent Shareholders for the Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement and the 2029 CNHTC Non-exempt CCT Agreements (including the proposed Revised Cap and New Caps), and the transactions contemplated thereunder at the general meeting of the Company. SDHi and its associates (including CNHTC) will abstain from voting in relation to the relevant resolution. As at the Latest Practicable Date, CNHTC was interested in 1,408,106,603 Shares, representing approximately 51% of the total issued share capital of the Company. In addition, the Company had adopted a restricted share award scheme (the "**Share Award Scheme**") and the trustee of the Share Award Scheme (the "**Trustee**") held 26,520,000 Shares (representing approximately 0.96% of the total number of Shares in issue), being unvested Shares held by the Trustee under the Share Award Scheme, as at the Latest Practicable Date. According to the terms of the Share Award Scheme and Rule 17.05A of the Listing Rules, the Trustee was required to and has abstained from voting for the resolutions proposed at the AGM.

An Independent Board Committee has been formed to advise the Independent Shareholders with respect to the Non-exempt Continuing Connected Transactions (namely, the Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement and the 2029 CNHTC Non-exempt CCT Agreements and the relevant proposed Revised Cap and New Caps). The Independent Financial Adviser has been appointed as the independent financial adviser to make recommendations to the Independent Board Committee and the Independent Shareholders regarding the same.

LETTER FROM THE BOARD

ANNUAL GENERAL MEETING

A notice of the AGM to be held at 3:00 p.m. on Monday, 29 June 2026 at the meeting centre at Sinotruk Tower, No. 777 Hua'ao Road, Innovation Zone, Ji'nan City, Shandong Province, PRC (as the principal meeting venue) and Units 2102-03, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong (as the additional meeting venue) is set out on pages AGM-1 to AGM-3 of the AGM circular.

A form of proxy for the AGM is enclosed with the AGM Circular. Whether or not you intend to be present at the AGM, you are requested to complete the form of proxy and return it to the Company's share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon as soon as practicable but in any event no later than 48 hours before the time appointed for holding the AGM. The completion of the form of proxy will not preclude you from attending and voting at the AGM in person should you so wish.

The AGM will be held on Monday, 29 June 2026. The record date for determining the entitlement of the Shareholders to attend and vote at the AGM is Monday, 29 June 2026 and the register of members of the Company will be closed from Wednesday, 24 June 2026 to Monday, 29 June 2026 (both days inclusive), during which period no transfer of Shares will be registered. In order to qualify to attend and vote in the AGM, holders of Shares must lodge their Share certificates together with the relevant Share transfer documents with Computershare Hong Kong Investor Services Limited, the Share registrar of the Company, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Tuesday, 23 June 2026.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. At the AGM, the chairman of the AGM will therefore demand a poll for every resolution put to vote of the AGM pursuant to article 61 of the Articles.

Save as disclosed, no Shareholder is required to abstain from voting in respect of the resolutions to be proposed at the AGM.

RECOMMENDATIONS

The Board considers that (i) the terms of the Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement and the 2029 CNHTC Non-exempt CCT Agreements are fair and reasonable, on normal commercial terms or better and in the ordinary and usual course of business of the Group, and (ii) the entering into the Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement and the 2029 CNHTC Non-exempt CCT Agreements (including the relevant proposed Revised Cap and New Caps) and the relevant transactions contemplated thereunder are in the interests of the Company and the Shareholders as a whole and, accordingly, recommends the Shareholders to vote in favour of the relevant resolutions in relation to the foregoing at the forthcoming AGM.

LETTER FROM THE BOARD

Your attention is also drawn to the letter from the Independent Board Committee which is set out on pages 31 to 32 of this supplemental circular. The Independent Board Committee, having taken into account the advice of the Independent Financial Adviser, considers that the terms of the Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement and the 2029 CNHTC Non-exempt CCT Agreements (including the relevant proposed Revised Cap and New Caps) are fair and reasonable as far as the Independent Shareholders are concerned. Accordingly, the Independent Board Committee recommends the Independent Shareholders to vote in favour of the resolutions to approve the Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement and the 2029 CNHTC Non-exempt CCT Agreements (including the relevant proposed Revised Cap and New Caps) and the transactions thereunder to be proposed at the AGM.

Yours faithfully
By order of the Board
Sinotruk (Hong Kong) Limited
Liu Zhengtao
Chairman of the Board

Jinan, the PRC

** For identification purposes only*



SINOTRUK (HONG KONG) LIMITED

中國重汽(香港)有限公司

(incorporated in Hong Kong with limited liability)

(Stock Code: 03808)

18 May 2026

To the Independent Shareholders

Dear Sir/Madam,

We refer to the supplemental circular (the “**Supplemental Circular**”) of the Company dated 18 May 2026 of which this letter forms part. Terms defined in the Supplemental Circular shall have the same meanings in this letter unless the context otherwise requires.

We have been appointed as members of the Independent Board Committee to consider the Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement and the 2029 CNHTC Non-exempt CCT Agreements (including the relevant proposed Revised Cap and New Caps), and to advise the Independent Shareholders on whether the same are fair and reasonable so far as the Independent Shareholders are concerned and are in interests of the Company and the Shareholders as a whole. South China Capital Limited has been appointed as the independent finance adviser to give recommendations to the Independent Board Committee and the Independent Shareholders in respect of the above matters.

We wish to draw your attention to the letter from the Board set out on pages 8 to 30 of the Supplemental Circular and the letter from the Independent Finance Adviser set out on pages 33 to 44 of the Supplemental Circular.

Having considered the information set out in the letter from the Board, the terms of the Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement and the 2029 CNHTC Non-exempt CCT Agreements and the advice of the Independent Financial Adviser in relation thereto, we are of the view that the Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement and the 2029 CNHTC Non-exempt CCT Agreements are on normal commercial terms, in the ordinary and usual course of business of the Group; the terms of the Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement and the 2029 CNHTC Non-exempt CCT Agreements (including the relevant proposed Revised Cap and New Caps) are fair and reasonable so far as the Independent Shareholders are concerned and are in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of the resolutions to be proposed at the AGM to approve the Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement and the 2029 CNHTC Non-exempt CCT Agreements (including the relevant proposed Revised Cap and New Caps).

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Yours faithfully
For and on behalf of the Independent Board Committee

Mr. Lyu Shousheng
Independent non-executive Director

Dr. Wang Dengfeng
Independent non-executive Director

Mr. Zhao Hang
Independent non-executive Director

Mr. Zhang Zhong
Independent non-executive Director

Dr. Liu Xiaolun
Independent non-executive Director

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the full text of a letter received from South China Capital Limited setting out its advice to the Independent Board Committee and the Independent Shareholders in respect of the Non-exempt Continuing Connected Transactions (including the Second Supplemental Agreement and the 2029 CNHTC Non-exempt CCT Agreements and the relevant proposed Revised Cap and New Caps), for inclusion in this circular.



South China Capital Limited

36/F., The Centrium
60 Wyndham Street
Central
Hong Kong

18 May 2026

*To the Independent Board Committee and
the Independent Shareholders*

Sinotruk (Hong Kong) Limited

Units 2102-03
China Merchants Tower
Shun Tak Centre
168-200 Connaught Road Central
Hong Kong

Dear Sirs,

**(1) REVISION OF ANNUAL CAP OF EXISTING
CONTINUING CONNECTED TRANSACTIONS;
AND**

(2) RENEWAL OF EXISTING CONTINUING CONNECTED TRANSACTIONS

INTRODUCTION

We refer to our engagement as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Non-exempt Continuing Connected Transactions (including the Second Supplemental Agreement and the 2029 CNHTC Non-exempt CCT Agreements and the relevant proposed Revised Cap and New Caps), details of which are set out in the supplemental circular of the Company to the Shareholders dated 18 May 2026 (the “**Supplemental Circular**”), of which this letter forms part. Unless the context otherwise requires, terms used in this letter shall have the same meanings as those defined in the Supplemental Circular.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Due to the operational needs of the Group, the Company expects that the existing annual cap for the financial year ending 31 December (“FY(s)”) 2026 under the 2026 CNHTC Purchase of Goods Agreement (as amended and supplemented by a supplemental agreement dated 25 March 2024) will be insufficient for the year ending 31 December 2026. Therefore, the Group entered into the Second Supplemental Agreement on 27 March 2026 with CNHTC to revise the annual cap to the Revised Cap for the year ending 31 December 2026.

Moreover, the Group has been conducting and is expected to continue to conduct the continuing connected transactions under the 2026 CNHTC Sale of Goods Agreement and the 2026 CNHTC Purchase of Goods Agreement with the CNHTC Group from time to time. In view of, among other things, (i) the aforementioned agreements will soon expire; and (ii) the anticipated continuation of the continuing connected transaction in the coming years, the Company and CNHTC entered into the 2029 CNHTC Non-exempt CCT Agreements (including the 2029 CNHTC Sale of Goods Agreement and the 2029 CNHTC Purchase of Goods Agreement) on 27 March 2026 to renew the relevant continuing connected transactions for the term of three years from 1 January 2027 to 31 December 2029.

CNHTC is a controlling shareholder of the Company, therefore CNHTC is a connected person of the Company. Accordingly, the transactions contemplated under the Second Supplemental Agreement and the 2029 CNHTC Non-exempt CCT Agreements constitute continuing connected transactions of the Company. As stated in the letter from the Board in the Circular (the “**Board Letter**”), the Non-exempt Continuing Connected Transactions (including the Second Supplemental Agreement and the 2029 CNHTC Non-exempt CCT Agreements and the relevant proposed Revised Cap and New Caps) are subject to, among other things, approval by the Independent Shareholders at the AGM.

The Independent Board Committee, comprising all the independent non-executive Directors, namely Mr. Lyu Shousheng, Dr. Wang Dengfeng, Mr. Zhao Hang, Mr. Zhang Zhong and Mr. Liu Xiaolun, has been established to advise the Independent Shareholders in respect of the Non-exempt Continuing Connected Transactions (including the Second Supplemental Agreement and the 2029 CNHTC Non-exempt CCT Agreements and the relevant proposed Revised Cap and New Caps). We, South China Capital Limited, have been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

OUR INDEPENDENCE

The Independent Shareholders should note that we were previously engaged as independent financial adviser by the Company for two occasions regarding the revision of annual cap for certain continuing connected transactions, details of which are disclosed in the two circulars of the Company dated 24 May 2024 and 28 November 2025 (the “**Previous Engagements**”). Apart from normal professional fees paid or payable to us in connection with the Previous Engagements, we did not have any other relationships or interests with the Company within the past two years from the Latest Practicable Date.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Given (i) our independent role in the Previous Engagements; (ii) none of the members of our parent group is a direct party to the 2029 CNHTC Non-exempt CCT Agreements; and (iii) our fee for the current engagement with the Company, in addition to that for the Previous Engagements, represented an insignificant percentage of revenue of our parent group, we consider that the Previous Engagements would not affect our independence, and we consider ourselves independent to form our opinion in respect of the 2029 CNHTC Non-exempt CCT Agreements (including the proposed Revised Cap and New Caps).

BASIS OF OUR OPINION

In arriving at our recommendation, we have reviewed, among other things, the Company's circular dated 29 May 2023 (the "**2023 Circular**"), the Company's annual report for each of the FY2024 (the "**2024 Annual Report**") and FY2025 (the "**2025 Annual Report**"). We have also discussed with the management of the Group (the "**Management**") regarding the commercial implications of the continuing connected transactions contemplated under the Second Supplemental Agreement and the 2029 CNHTC Non-exempt CCT Agreements (including the proposed Revised Cap and New Caps). In addition, we have relied on the information and facts provided by the Company and have assumed that any representations made to us are true, accurate and complete. We have also relied on the statements, information, opinions and representations contained in the Circular and the information and representations provided to us by the Directors and the Management. We have assumed that all information, representations and opinions contained or referred to in the Circular and all information, representations and opinions which have been provided by the Directors and the Management for which they are solely responsible, are true and accurate at the time they were made and will continue to be accurate at the date of the Circular.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, opinions expressed in the Circular have been arrived at after due and careful consideration and there are no other facts not contained in the Circular the omission of which would make any such statement contained in the Circular misleading. We consider that we have been provided with sufficient information which forms a reasonable basis for our opinion. We have no reason to suspect that any relevant information has been withheld, nor are we aware of any fact or circumstance which would render the information provided and representations and opinions made to us untrue, inaccurate or misleading. Having made all reasonable enquiries, the Directors have further confirmed that, to the best of their knowledge, they believe there are no other facts or representations whose omission would make any statement in the Circular, including this letter, misleading. We have not, however, carried out any independent verification of the information provided by the Directors and the Management, nor have we conducted an independent investigation into the business and affairs of the Group and the CNHTC Group. We consider that we have taken sufficient and necessary steps on which to form a reasonable basis and an informed view for our opinion in compliance with note 1 to Rule 13.80 of the Listing Rules.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion and recommendation regarding the continuing connected transactions contemplated under each of the 2029 CNHTC Non-exempt CCT Agreements (including the proposed Revised Cap and New Caps), we have taken into consideration the following principal factors and reasons:

1. Background of and reasons for entering into of the Second Supplemental Agreement and the 2029 CNHTC Non-exempt CCT Agreements

The Company is principally engaged in investment holding. The Group primarily specialises in the research, development and manufacturing of heavy duty trucks, medium-heavy duty trucks, light duty trucks, etc. and related key assemblies, parts and components including engines, cabins, axles, steel frames and gearboxes, and the provision of financial services. The Company is ultimately governed and controlled by Shandong Provincial State-owned Assets Supervision and Administration Commission* (山東省人民政府國有資產監督管理委員會).

We have reviewed the 2025 Annual Report, and we note that the sales of (i) heavy duty trucks; (ii) light duty trucks and others; and (iii) engines collectively accounted for approximately 99% of the total revenue of the Group for the two FYs 2024 and 2025, while the remaining was primarily from the provision of financing services.

CNHTC is a commercial vehicles manufacturer and a controlling shareholder of the Company. CNHTC is a state-owned enterprise organised under the laws of the PRC with limited liability and is held as to approximately 65% by SDHi which is in turn ultimately governed and controlled by Shandong Provincial State-owned Assets Supervision and Administration Commission* (山東省人民政府國有資產監督管理委員會).

Due to the operational needs of the Group, the Company expects that the existing annual cap for the year ending 31 December 2026 under the 2026 CNHTC Purchase of Goods Agreement (as amended and supplemented by a supplemental agreement dated 25 March 2024) will be insufficient. The Group therefore entered into the Second Supplemental Agreement on 27 March 2026 with the CNHTC to revise the annual cap to the Revised Cap for the year ending 31 December 2026. Further details of the revision are set out in the section headed “The Revised Cap and the New Caps” below.

Moreover, the Group has been conducting and is expected to continue to conduct the continuing connected transactions under the 2026 CNHTC Sale of Goods Agreement and the 2026 CNHTC Purchase of Goods Agreement with the CNHTC Group from time to time. In view of, among other things, (i) the aforementioned agreements will soon expire; and (ii) the anticipated continuation of the continuing connected transaction in the coming years, the Company and CNHTC entered into the 2029 CNHTC Non-exempt CCT Agreements (including the 2029 CNHTC Sale of Goods Agreement and the 2029 CNHTC Purchase of Goods Agreement) on 27 March 2026 to renew the relevant continuing

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

connected transactions for the term of three years from 1 January 2027 to 31 December 2029. The 2029 CNHTC Non-exempt CCT Agreements include the following:

Agreement	Nature
2029 CNHTC Sale of Goods Agreement	: The Group has been supplying products (including trucks, chassis and semi-tractor trucks), as well as raw materials, parts and components and semi-finished products to the CNHTC Group
2029 CNHTC Purchase of Goods Agreement	: The CNHTC Group has been supplying products (including vehicles, refitted trucks, chassis, add-on products such as trunks, flatbeds, tanks, semi-trailer truck, etc.), as well as raw materials, parts and components, assemblies, and semi-finished products (including but not limited to support assemblies and pedals), etc. to the Group

We have discussed with, and have been advised by, the Management that:

- (i) in respect of the 2029 CNHTC Sale of Goods Agreement, the Group has been, as part of its core business, selling vehicle products and parts to the CNHTC Group for a long time and such sales are revenue in nature to the Group; and
- (ii) in respect of the 2029 CNHTC Purchase of Goods Agreement, the Group has been procuring vehicle products and parts from the CNHTC Group for a long time to meet the production needs of the core business of the Group.

Having considered, in particular, (i) the Group has been conducting the relevant continuing connected transactions with the CNHTC Group to leverage on the strengths of CNHTC (which a state-owned enterprise) to develop the businesses of the Group; (ii) the Second Supplemental Agreement was entered into for the revision of the existing annual cap which are expected to be insufficient for the year ending 31 December 2026; and (iii) the sales of vehicle products and parts under the 2029 CNHTC Sale of Goods Agreement are revenue in nature to the Group; (iv) the procurement of vehicle products and parts under the 2029 CNHTC Purchase of Goods Agreement are for the satisfaction of the production needs of the Group; and (v) the terms of the Non-exempt Continuing Connected Transactions are fair and reasonable as discussed below, we are of the view that the entering into of the Second Supplemental Agreement and the 2029 CNHTC Non-exempt CCT Agreements is conducted in the ordinary and usual course of business of the Group and is in the interests of the Company and the Shareholders as a whole.

2. Principal terms of the Non-exempt Continuing Connected Transactions

Please refer to the Board Letter for full details of the principal terms of the Non-exempt Continuing Connected Transactions under the Second Supplemental Agreement and each of the 2029 CNHTC Non-exempt CCT Agreements.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In respect of internal control measures adopted/would be adopted in the Second Supplemental Agreement, the 2029 CNHTC Sale of Goods Agreement and the 2029 CNHTC Purchase of Goods Agreement, we note from the Board Letter that:

- (i) in order to ensure that the prices under the 2029 CNHTC Sale of Goods Agreement are no more favourable to the CNHTC Group than those offered to independent third parties, the prices of the transactions will be determined by the same price list available to all customers of the Group including independent customers and the CNHTC Group, which is approved by the responsible management or executive Directors. The products price list and/or parts price list (as the case maybe) is reviewed on an annual basis, which we consider to be appropriate and sufficient on the basis that the selling prices of the Group's products have been stable over the period. Hence, as the same products price list and/or parts price list (as the case maybe) is applicable to all of the Group's customers, the prices offered to the CNHTC Group will be no more favourable than those offered to independent third party customers; and

- (ii) in order to ensure that the prices of each of the transactions are determined in accordance with the pricing policy applicable to the Second Supplemental Agreement and the 2029 CNHTC Purchase of Goods Agreement and the prices are no less favourable than those provided to the Group by independent third parties, the Group will ask for at least two quotations from the independent third party suppliers and the CNHTC Group, which we consider to be appropriate and sufficient on the basis that the purchase prices of such products/ parts have been provided from the relevant open market. Based on these quotations, it will cross check the prices of the products offered by the independent third party suppliers and the CNHTC Group. If the Group also produces such products, it will also compare the intragroup selling prices of the Group against those offered by the CNHTC Group. The Group will then negotiate with the independent third party suppliers and the CNHTC Group to finalise the prices of the products and compile the product price list for the relevant products to be purchased, after taking into consideration the market conditions at the relevant time and the technical conditions. By conducting the aforesaid comparisons of the prices of the products offered by the CNHTC Group, the Group ensures that the prices of the products offered by the CNHTC Group are fair and reasonable.

Based on the above, we note that the pricing of the Non-exempt Continuing Connected Transactions shall be on terms no less favourable to the Group than those with independent third parties. In particular, (i) selling prices shall be based on the same price list which is applicable to both of the CNHTC Group and independent third parties; (ii) purchase prices shall be compared with those of the independent third party suppliers; (iii) for the purchase of Refitted Products, the purchase prices shall be based on those agreed directly between the CNHTC Group and the independent third party customers of the Group; and (iv) for unique and proprietary parts where the aforesaid are not applicable, the cost plus profit margin shall make reference to the Performance Appraisal Index and the historical profit margins of similar products sold by the Group to independent customers.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We note from the annual reports of the Company for each of the two years ended 31 December 2024 and 2025 that, in accordance with the Listing Rules, (i) the Company had engaged independent auditors to report on the continuing connected transactions of the Group for each of the two years ended 31 December 2024 and 2025, who have issued their unqualified letters in respect of such transactions; and (ii) the independent non-executive Directors had also reviewed the continuing connected transactions of the Group for each of the two years ended 31 December 2024 and 2025 and confirmed that such transactions were, among other things, on normal commercial terms or better and on terms that were fair and reasonable.

In addition, we have (i) reviewed 10 sets of sample transaction documents with connected parties in connection with each of the 2026 CNHTC Sale of Goods Agreement and the 2026 CNHTC Purchase of Goods Agreement; and (ii) reviewed the relevant terms with independent third parties for each set of the aforementioned 10 samples. The samples were randomly selected from transactions in the Group's latest ordinary and usual business practice. Our reviewing samples covered (i) price list products and unique and proprietary parts under the 2026 CNHTC Sale of Goods Agreement; and (ii) price list products, add-on products (including Refitted Products) and CNHTC Group's products under the Second Supplemental Agreements and the 2026 CNHTC Purchase of Goods Agreement. Refitted Products form part of the broader add-on product category, and we considered that the pricing mechanism and commercial terms applicable to Refitted Products are basically subject to the same pricing principles as other add-on products included in the samples. We consider the selected sample connected transaction documents that we have reviewed to be representative and sufficient because, in respect of selection criteria, (i) they were all transactions randomly selected and involved the relevant sales/ purchases by the Group to/ from the CNHTC Group; (ii) they were transactions that took place recently within the past two years that can reflect the Group's latest business practice in its ordinary and usual course of business; and (iii) they are not exhaustive but constitute a representative sample to understand the Group's general sales/ purchase patterns and every aspect of the CNHTC Non-exempt Continuing Connected Transactions. As we did not identify any anomaly when we reviewed such sample documents and the sample covers different counterparties and a range of contract value and dates over the past two FYs 2024 and 2025, we therefore did not require further samples and consider the sample size to be reasonable and sufficient for the purpose of our assessment, which is in line with our firm's usual practice for reviewing continuing connected transactions. We understand that the terms of these reviewed transactions with connected parties had adhered to the aforementioned principal terms of the Non-exempt Continuing Connected Transactions. For instance, (i) for price list products under the Second Supplemental Agreement, the 2026 CNHTC Sale of Goods Agreement and the 2026 CNHTC Purchase of Goods Agreement, we noted that the unit prices were no less favourable to the Group than those with independent third parties; (ii) for unique and proprietary parts under the 2026 CNHTC Sale of Goods Agreement, we noted the sales profit margin was in the range of 5% to 20% and in line with the historical profit margins of similar parts sold by the Group to independent third parties; (iii) for add-on products under the 2026 CNHTC Purchase of Goods Agreement, we noted the price sold to the customer of the Group was at the price procured from the CNHTC Group; and (iv) for CNHTC Group's products under the 2026 CNHTC Purchase of Goods Agreement, we noted the price sold to the customer of the Group was at a profit margin in the range of 5% to 20% and in line with the historical profit margins of similar products sold by the Group to independent third parties. Furthermore, we have reviewed the latest published annual results of the Company and we understand (i) the majority of the trade and bills payables as

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

at 31 December 2024 and 2025 were aged less than three months based on invoice date; and (ii) the Group in general grants a credit period of 3 to 12 months to its customers, where we note that the credit period of 120 days for the sale and purchase of goods under the Non-exempt Continuing Connected Transactions falls within such general range.

Having considered, in particular, (i) our review of the pricing terms of the Non-exempt Continuing Connected Transactions, being no less favourable than those with independent third parties; (ii) the internal control measures of the Group, particularly the review and comparison of the terms with independent third parties; and (iii) the track record of compliance where the independent auditors of the Company and the independent non-executive Directors had reviewed and will continue to review the Non-exempt Continuing Connected Transactions, we are of the view that (i) the Group has sufficient internal control measures for governing the Non-exempt Continuing Connected Transactions from time to time; and (ii) the terms thereof are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned.

3. The proposed Revised Cap and New Caps

The following table sets out (i) the historical actual transaction amounts and annual caps of the Non-exempt Continuing Connected Transactions for each of the two FYs 2024 and 2025 and the two months ended 28 February 2026 under each of the 2026 CNHTC Sale of Goods Agreement and the 2026 CNHTC Purchase of Goods Agreement as advised by the Management as well as the Revised Cap for the FY2026; and (ii) the New Caps for the each of the three FYs from 2027 to 2029 under each of the 2029 CNHTC Sale of Goods Agreement and the 2029 CNHTC Purchase of Goods Agreement.

	Historical actual transaction amounts and annual caps			Revised Cap	New Caps		
	For the two months ended 28			For the FY 2026	For the FYs		
	For the FYs		February		2027	2028	2029
	2024	2025	2026	RMB million	RMB million	RMB million	RMB million
	2026 CNHTC Sale of Goods Agreement			2029 CNHTC Sale of Goods Agreement			
Transaction amounts	6,340	4,151	496				
Annual caps	7,306	13,239	21,561	N/A	6,000	7,000	8,000
	2026 CNHTC Purchase of Goods Agreement			2029 CNHTC Purchase of Goods Agreement			
Transaction amounts	5,164	5,883	973				
Annual caps	6,410	6,930	7,450	11,000	12,000	13,000	13,500

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

2029 CNHTC Sale of Goods Agreement

In respect of the 2026 CNHTC Sale of Goods Agreement, we note that the historical actual transaction amount lowered from approximately RMB6,340 million for the FY2024 to RMB4,151 million for the FY2025, whereas the New Caps under the 2029 CNHTC Sale of Goods Agreement are RMB6,000 million, RMB7,000 million and RMB8,000 million for each of the three FYs from 2027 to 2029, representing a compound annual growth rate (the “CAGR”) of about 15.5% over the three FYs from 2027 to 2029.

We have enquired with the Management about the historical transaction amount of approximately RMB4,151 million for the FY2025, which represented an obvious decrease by about 34.5% from RMB6,340 million for the FY 2024. As advised by the Management, following the change of business strategy of the CNHTC Group, it has reduced the procurement volume and amount of new energy vehicles from the Group for reselling the same to its own customers, which in turn has encouraged the Group itself to sell the same to customers directly in the domestic/ overseas markets. As a consequence, the original procurement amount from the CNHTC Group of approximately RMB2,000 million was reduced from its then procurement plan in the FY2025. However, the CNHTC Group currently plans to increase its procurement of new energy vehicles from the Group by RMB1,100 million in the FY2026 with a CAGR of about 37% for the coming three FYs from 2027 to 2029 under the 2029 Sale of Goods Agreement to cope with its new vehicle leasing business.

According to the 2025 Annual Report, during the FY2025, the overall economic environment for commercial vehicles was growing, which was mainly benefited from the PRC government measures to enhance the vehicle industry by the scrappage and renewal policy for commercial vehicles (i.e. encouragement of retirement of aged vehicles, which were below emission standards, and replacement with new vehicles). In addition, according to the statistics from China Association of Automobile Manufacturers (中國汽車工業協會) (“CAAM”), being an independent source of public information, as quoted in the 2025 Annual Report, the market demand for heavy duty trucks produced by the PRC remains strong, and annual sales volume has considerably increased by about 27% when compared to that in 2024. In respect of the Group’s operating performance, as disclosed in the 2025 Annual Report, it has achieved increases in annual sales volume of 292,140 units of heavy duty trucks and 123,136 units of light duty trucks in the FY2025, representing an annual growth of 20% and 22%, respectively, over that in the FY2024. As advised by the Management, the Group is optimistic about the commercial vehicle markets in both the PRC domestic and export markets in the coming years and will increase its sales volume to the CNHTC Group, as comparing with the actual sales amount occurred in FY2025, it may increase its sales of new energy vehicles to both the CNHTC Group and other independent third party customers.

We have independently reviewed the 2025 Annual Report, we noted that, following the COVID-19 pandemic, the overall market performance in the vehicle industry has recovered with stable growth, the Group’s total revenue amounted to approximately RMB95,062 million and RMB109,541 million for the two FYs 2024 and 2025 respectively, representing an annual growth of about 15.2% there between. Taking into account (i) the historical actual transaction amount of RMB4,151 million in the FY2025; (ii) the expected increase in sales amount of RMB1,100 million in the FY2026 for CNHTC Group’s new vehicle leasing business; and (iii) the normal annual growth rate of about 15% with reference to the Group’s total revenue in the FY2025, the New Cap of RMB6,000 million for the FY2027 is justifiable, notwithstanding the relatively lower historical actual transaction

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amount of RMB496 million for the two months ended 28 February 2026 due to the festival factor of the Chinese New Year in February 2026. On such basis, the CAGR of about 15.5% for the three FYs from 2027 to 2029 is basically consistent with the historical actual transaction amount growth between the two FYs 2024 and 2025, whilst the highest annual cap of the 2029 CNHTC Sale of Goods Agreement, being the New Cap for the FY 2029 of RMB8,000 million, represents an increase of (i) about 26.2% when compared to the actual transaction amount of approximately RMB6,340 million for the FY 2024; and (ii) a CAGR of about 4.76% over the five FYs from 2024 to 2029, which we consider to be prudent, fair and reasonable.

Taking into account, in particular, (i) the 2029 CNHTC Sale of Goods Agreement is revenue in nature to the Group; (ii) the New Caps of RMB6,000 million, RMB7,000 million and RMB8,000 million for each of the three FYs from 2027 to 2029 are basically in line with the Group's overall revenue growth as a whole for the past two FYs 2024 and 2025; (iii) the lower actual transaction amount for the FY 2025 would not represent a long-term decreasing trend for the coming years; and (iv) the highest annual cap of the 2029 CNHTC Sale of Goods Agreement of RMB8,000 million for the FY2029 represents about 7.3% of the total revenue of the Group of approximately RMB109,541 million for the FY2025, we consider the New Caps for the 2029 CNHTC Sale of Goods Agreement to be fair and reasonable so far as the Independent Shareholders are concerned.

Second Supplemental Agreement and 2029 CNHTC Purchase of Goods Agreement

In respect of the 2026 CNHTC Purchase of Goods Agreement, we note that the historical actual transaction amounts increased from approximately RMB5,164 million for the FY 2024 to RMB5,883 million for the FY 2025, representing a growth rate of about 13.9% (the “**2025 Actual Annual Growth Rate**”), whereas the Revised Cap is RMB11,000 million for the FY2026.

In respect of the 2029 CNHTC Purchase of Goods Agreement, we note that the historical actual transaction amounts, similar to those of the 2026 CNHTC Purchase of Goods Agreement, increased from approximately RMB5,164 million for the FY 2024 to RMB5,883 million for the FY 2025, representing a growth rate of about 13.9%, whereas the New Caps are RMB12,000 million, RMB13,000 million and RMB13,500 million for each of the three FYs from 2027 to 2029, respectively.

For our assessment of the annual caps thereunder, we note that:

- the Revised Cap of RMB11,000 million for the FY2026 represents an annual growth of about 87.0% as compared with the historical actual amount of approximately RMB5,883 million for the FY 2025, where such growth rate is higher than the 2025 Actual Annual Growth Rate;
- in respect of the Revised Cap for the FY2026, we understand that the Group's historical transaction amount increased from approximately RMB5,164 million for the FY 2024 to RMB5,883 million for the FY2025, representing an annual growth rate of approximately 13.9%. It is expected that the Group's procurement scale from the CNHTC Group in the FY2026 will steadily increase, and the growth trend will continue in the coming years;

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- benefiting from the continuous expansion and demand growth in the overseas markets, the Group will increase procurements of modified vehicle products from the CNHTC Group to cope with the unexpected increasing orders by about 18% from its overseas customers;
- with the addition of the CNHTC Group's new battery assembly business in 2026, the Group will adjust the procurement of battery assemblies previously sourced from independent third parties to the CNHTC Group. In 2025, the Group's actual procurement amount from independent third parties for this business amounted to approximately RMB1,634 million. As the penetration of new energy products gradually increases, the Group expects the demand for intelligent equipment and battery for its new energy vehicle battery business in the FY2026, with estimated procurement amount of RMB2,000 million in aggregate from the CNHTC Group;
- taking into account (i) the historical actual transaction amount of RMB5,883 million in the FY2025; (ii) the anticipated increase in procurement amount by 18% from its overseas customers in the FY2026; (iii) the estimated increase in procurement amount of RMB2,000 million in the FY2026 for the Group's new energy vehicle battery business; (iv) the normal annual growth rate of about 14% with reference to that in the FY2025; and (v) a buffer of around 12% to accommodate any unexpected procurement requirements from the CNHTC Group in the FY2026, the Revised Cap of RMB11,000 million for the FY2026 is justifiable, fair and reasonable;
- regarding the New Caps, (i) the New Cap for the FY2027 represents a growth rate of about 9.1% as compared with the Revised Cap of RMB11,000 million for the FY 2026; and (ii) the New Caps for each of the two FYs 2028 and 2029 represent growth rates of about 8.3% and 3.8%, respectively, as compared with the New Cap for the preceding year, which are little more or less than the expected general economic growth of the PRC by 5%;
- in respect of the New Caps for the three FYs from 2027 to 2029, we understand that the Group will increase procurement from the CNHTC Group for its vehicle modification services by about 3% to 9% over the coming three FYs, in particular whom are located in the proximity area adjacent to the Group's production sites. Following the Group's continuous enhancement of overseas sales network, the Group currently expects that the increasing demand for the CNHTC Group's services for its overseas customers will persist, which are in line with the mild increases in the New Caps. We have reviewed the Group's internal document in relation to the expected procurements from the CNHTC Group, and we understand the expected purchase of parts from the CNHTC Group include dashboard camera, gearboxes, traveling data recorders, etc. which are not produced by the Group itself; and
- according to the CAAM Article, CAAM expects the sales of commercial vehicles and new energy vehicles to achieve an annual growth of about 4.7% and 15.2% respectively for the year ending 31 December 2026.

Taking into account, in particular, (i) the 2026 CNHTC Purchase of Goods Agreement and 2029 CNHTC Purchase of Goods Agreement have been providing flexibility for the Group to make procurements from the CNHTC Group that are necessary for manufacturing and sale of trucks by the

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Group; (ii) the Revised Cap for the FY2026 is justifiable for meeting its unexpected increasing orders from its overseas customers and new energy vehicle battery business; (iii) the annual growth rates of the New Caps for each of the three FYs from 2027 to 2029 will gradually be increasing by little more or less than 5% each year there between, which is basically in line with the expected level of the general economic growth rate of the PRC by 5%, we consider the Revised Cap for the 2026 CNHTC Purchase of Goods Agreement and the New Caps for the 2029 CNHTC Purchase of Goods Agreement to be fair and reasonable so far as the Independent Shareholders are concerned.

RECOMMENDATION

Having considered the above principal factors and reasons, we are of the opinion that the entering into of the Non-exempt Continuing Connected Transactions (including the Second Supplemental Agreement and the 2029 CNHTC Non-exempt CCT Agreements and the relevant proposed Revised Cap and New Caps) is conducted in the ordinary and usual course of business of the Group and is in the interests of the Company and the Shareholders as a whole. We are also of the view that the terms of the Non-exempt Continuing Connected Transactions are on normal commercial terms and, together with the relevant proposed Revised Cap and New Caps, are fair and reasonable so far as the Independent Shareholders are concerned. Accordingly, we advise the Independent Board Committee to recommend, and we ourselves advise, the Independent Shareholders to vote in favour of the ordinary resolutions to approve the Non-exempt Continuing Connected Transactions contemplated under the Second Supplemental Agreement and each of the 2029 CNHTC Non-exempt CCT Agreements at the AGM.

Yours faithfully,
For and on behalf of
South China Capital Limited

Nicholas Cheng
Managing Director

Felix Leung
Senior Vice President

Note:

Mr. Nicholas Cheng and Mr. Felix Leung are licensed persons registered with the Securities and Futures Commission to carry out Type 6 (advising on corporate finance) regulated activity under the SFO. Mr. Nicholas Cheng has extensive experience in corporate finance industry and has participated in, and completed, the provision of independent financial advisory services for numerous connected transactions involving listed companies in Hong Kong. Mr. Felix Leung has over ten years of experience in corporate finance industry.

* *For identification purposes only*

1. RESPONSIBILITY STATEMENT

This supplemental circular, for which the Directors collectively and individually accept full responsibility, include particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this supplemental circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this supplemental circular misleading.

2. INTERESTS OF DIRECTORS AND CHIEF EXECUTIVE IN THE SECURITIES OF THE COMPANY

As at the Latest Practicable Date, the directors and chief executives of the Company and their associates (as defined in the Listing Rules) had the following interests in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under section 352 of Part XV of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers:

(a) The Company*Long position*

Name of Director	Nature of interest	Number of underlying Shares interested pursuant to the Share Award Scheme	Approximate percentage of shareholding in the class
Mr. Liu Zhengtao	Beneficial owner	500,000	0.02%
Mr. Liu Wei	Beneficial owner	500,000	0.02%
Ms. Li Xia	Beneficial owner	350,000	0.01%
Mr. Han Feng	Beneficial owner	350,000	0.01%
Mr. Zhao Hua	Beneficial owner	300,000	0.01%

(b) Associated Corporation

Ordinary A shares in Weichai Power Co., Ltd. — a fellow subsidiary of the Company

Long positions

Name of Director	Nature of interest	Number of ordinary shares held	Approximate percentage of shareholding in the class
Mr. Cheng Guangxu	Beneficial owner	600,000	0.01%

Save as disclosed above, as at the Latest Practicable Date, as far as the Directors are aware, none of the Directors and chief executive of the Company had any interest and short position in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), or were required, pursuant to section 352 of the SFO, to be entered in the register required to be kept by the Company, or were required, pursuant to the Model Code for Securities Transaction by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules adopted by the Company, to be notified to the Company and the Stock Exchange.

3. SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at the Latest Practicable Date, so far as was known to the Directors or the chief executive of the Company based on the register maintained by the Company pursuant to Part XV of the SFO, the following person (other than a Director or the chief executive of the Company) had, or were deemed or taken to have interests or short positions in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, were directly or indirectly, interested in 5% or more of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

(a) The Company

Long positions

Name of Shareholder	Capacity in which interests are held	Notes	Number of Shares held	Approximate % of shareholding
SDHi	Interest in controlled corporation	(a)	1,408,106,603	51%
CNHTC	Beneficial owner		1,408,106,603	51%
FPFPS	Interest in controlled corporation	(b)	552,198,671	20%
Ferdinand Porsche Familien-Holding GmbH	Interest in controlled corporation	(c)	552,198,671	20%
Ferdinand Alexander Porsche Zweite GmbH	Interest in controlled corporation	(d)	552,198,671	20%
Familie Porsche Beteiligung GmbH	Interest in controlled corporation	(e)	552,198,671	20%
Porsche Automobil Holding SE	Interest in controlled corporation	(f)	552,198,671	20%
Volkswagen AG	Interest in controlled corporation	(g)	552,198,671	20%
Volkswagen Finance Luxemburg S.A.	Interest in controlled corporation	(h)	552,198,671	20%
Volkswagen International Luxemburg S.A.	Interest in controlled corporation	(i)	552,198,671	20%
TRATON SE	Interest in controlled corporation	(j)	552,198,671	20%
TRATON International S.A.	Interest in controlled corporation	(k)	552,198,671	20%
MAN Finance and Holding S.A.	Beneficial owner		552,198,671	20%

Notes:

- (a) SDHi holds 65% voting interest in CNHTC. SDHi is deemed to have interest in all the Shares held (or deemed to be held) by CNHTC under the SFO.
- (b) FPFPS holds 90% interest in Ferdinand Porsche Familien-Holding GmbH. FPFPS is deemed to have interest in all the Shares held (or deemed to be held) by Ferdinand Porsche Familien-Holding GmbH under the SFO.
- (c) Ferdinand Porsche Familien-Holding GmbH holds 100% interest in Ferdinand Alexander Porsche Zweite GmbH. Ferdinand Porsche Familien-Holding GmbH is deemed to have interest in all the Shares held (or deemed to be held) by Ferdinand Alexander Porsche Zweite GmbH under the SFO.
- (d) Ferdinand Alexander Porsche Zweite GmbH holds 100% voting interest in Familie Porsche Beteiligung GmbH. Ferdinand Alexander Porsche Zweite GmbH is deemed to have interest in all the Shares held (or deemed to be held) by Familie Porsche Beteiligung GmbH under the SFO.
- (e) Familie Porsche Beteiligung GmbH holds 55.46% voting interests in Porsche Automobil Holding SE. Familie Porsche Beteiligung GmbH is deemed to have interest in all the Shares held (or deemed to be held) by Porsche Automobil Holding SE under the SFO.
- (f) Porsche Automobil Holding SE holds 53.35% voting interest in Volkswagen AG. Porsche Automobil Holding SE is deemed to have interest in all the Shares held (or deemed to be held) by Volkswagen AG under the SFO.
- (g) Volkswagen AG holds 100% voting interest in Volkswagen Finance Luxemburg S.A. Volkswagen AG is deemed to have interest in all the Shares held (or deemed to be held) by Volkswagen Finance Luxemburg S.A. under the SFO.
- (h) Volkswagen Finance Luxemburg S.A. holds 100% voting interest in Volkswagen International Luxemburg S.A. Volkswagen Finance Luxemburg S.A. is deemed to have interest in all the Shares held (or deemed to be held) by Volkswagen International Luxemburg S.A. under the SFO.
- (i) Volkswagen International Luxemburg S.A. holds 87.52% voting interest in TRATON SE. Volkswagen International Luxemburg S.A. is deemed to have interest in all the Shares held (or deemed to be held) by TRATON SE under the SFO.
- (j) TRATON SE holds 100% voting interest in TRATON International S.A. TRATON SE is deemed to have interest in all the Shares held (or deemed to be held) by TRATON International S.A. under the SFO.
- (k) TRATON International S.A. holds 100% voting interest in MAN Finance and Holding S.A. TRATON International S.A. is deemed to have interest in all the Shares held (or deemed to be held) by MAN Finance and Holding S.A. under the SFO.

(b) Members of the Group*Long position*

Name of equity holder	Nature of interests	Name of the member of the Group	Approximate percentage of equity interest held
Liuzhou Yunli Investment Co., Ltd.	Beneficial owner	Sinotruk Liuzhou Yunli Special Vehicles Co., Ltd.	40%
Yongan Fudi Investment Co., Ltd.	Beneficial owner	Sinotruk Fujian Haixi Vehicles Co., Ltd.	20%
Chengdu Qingbaijiang District State-owned Asset Investment and Management Co., Ltd.	Beneficial owner	Sinotruk Chengdu Wangpai Commercial Vehicles Co., Ltd.	20%
Suizhou Huawei Investment Holdings Co., Ltd.	Beneficial owner	Sinotruk Hubei Huawei Special Vehicles Co., Ltd.	40%
Shandong International Trust Co., Ltd.	Beneficial owner	Sinotruk Auto Finance Co., Ltd.	6.52%
SDHi Investment Co., Ltd.	Beneficial owner	Sinotruk (Ji'nan) Business Co., Ltd.	40%
Weichai Power	Beneficial owner	Shandong Tongxin Zhixing Digital Technology Co., Ltd.	15.793%
Weichai Lovol Intelligent Agricultural Technology Co., Ltd.	Beneficial owner	Shandong Tongxin Zhixing Digital Technology Co., Ltd.	7.502%
Rizhao Fengtai Transportation Co., Ltd.	Beneficial owner	Tongxin Zhixing Logistics Technology (Rizhao) Co., Ltd.	25%
Rizhao Development Co., Ltd.	Beneficial owner	Tongxin Zhixing Logistics Technology (Rizhao) Co., Ltd.	15%

Save as disclosed above, as at the Latest Practicable Date, so far as is known to the Directors or chief executive of the Company, no other persons (not being a Director or chief executive of the Company) had any interests or short positions in the Shares or underlying Shares which are required to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, nor were there any persons, directly or indirectly, interested in 5% or more of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

4. CLAIMS AND LITIGATIONS

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

5. SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with the Company or any member of the Group other than contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation).

6. COMPETING INTERESTS

As at the Latest Practicable Date, Mr. Liu Zhengtao was the chairman of CNHTC; Mr. Liu Wei was the director and the general manager of CNHTC; Ms. Li Xia was the financial controller of CNHTC; Mr. Han Feng was the deputy general manager of CNHTC; Mr. Zhao Hua was the deputy general manager of CNHTC; Mr. Wang Dechun was deputy general manager of CNHTC; Ms. Han Xing was the head of Ji'nan Branch of MAN Truck & Bus Trading (China) Co., Ltd. and the strategy representative of MAN Truck & Bus SE in China; Mr. Cheng Guangxu was the deputy general manager of Weichai Power; Mr. Karsten Oellers was the head of group finance at TRATON SE; and Mr. Mats Lennart Harborn was the representative of China office of TRATON SE. Save as disclosed above, as at the Latest Practicable Date, none of the Directors and their respective close associates had any interests in a business, apart from the interest in the Group's business, which competes or may compete with the business of the Group.

7. DIRECTORS' INTERESTS

- (a) As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any asset which had been, since 31 December 2025, being the date to which the latest published audited financial statements of the Company were made up, acquired or disposed of by or leased to, or were proposed to be acquired or disposed of by or leased to, any member of the Group.
- (b) As at the Latest Practicable Date, save for the following agreements and the respective subsisting continuing connected transactions entered into (i) between the Group and the CNHTC Group in which Mr. Liu Zhengtao, Mr. Liu Wei, Ms. Li Xia, Mr. Han Feng, Mr. Zhao Hua and Mr. Wang Dechun would have been required to abstain from voting and (ii) between the Group and TRATON SE (and its associates), in which Ms. Han Xing, Mr. Karsten Oellers and Mr. Mats Lennart Harborn would have been required to abstain from voting, none of the Directors were materially interested in any contract or arrangement entered into by any member of the Group which was subsisting as at the Latest Practicable Date and which was significant in relation to the business of the Group:
 - (i) the 2026 CNHTC Sale of Goods Agreement (as defined in the announcement of the Company dated 31 March 2023) and the relevant supplemental agreement (as defined in the announcement of the Company dated 25 March 2024);

- (ii) the 2026 CNHTC Purchase of Goods Agreement (as defined in the announcement of the Company dated 31 March 2023) and the relevant supplemental agreements (as defined in the announcements of the Company dated 25 March 2024 and 27 March 2026);
 - (iii) the 2026 Provision of Financial Services Agreement (as defined in the announcement of the Company dated 31 March 2023);
 - (iv) the 2025 Weichai Parts Purchase Agreement (as defined in the announcement of the Company dated 31 October 2025);
 - (v) the 2026 Receipt of General Services (Connected Subsidiaries) Agreement (as defined in the announcement of the Company dated 27 June 2025); and
 - (vi) the 2028 Provision of Guarantee Agreement (as defined in the announcement of the Company dated 30 January 2026).
- (c) As at the Latest Practicable Date, so far as is known to the Directors, the following Directors held offices in the substantial Shareholders set out in section 3 of this appendix above:

Name of Director	Positions held
Mr. Liu Zhengtao	Chairman of CNHTC
Mr. Liu Wei	Director and general manager of CNHTC
Ms. Li Xia	Financial controller of CNHTC
Mr. Han Feng	Deputy general manager of CNHTC
Mr. Zhao Hua	Deputy general manager of CNHTC
Mr. Wang Dechun	Deputy general manager of CNHTC
Ms. Han Xing	Head of Ji'nan Branch of MAN Truck & Bus Trading (China) Co., Ltd. and the strategy representative of MAN Truck & Bus SE in China
Mr. Karsten Oellers	Head of group finance at TRATON SE
Mr. Mats Lennart Harborn	Representative of China office of TRATON SE

8. MATERIAL ADVERSE CHANGE

The Directors do not consider there is any material adverse change in the financial or trading position of the Group since 31 December 2025, being the date to which the latest published audited financial statements of the Company were made up.

9. QUALIFICATION OF EXPERTS AND CONSENTS

The following is the qualification of the expert who has given opinion or advice which is contained in this supplemental circular:

Name	Qualification
South China Capital Limited	A license corporation to carry out Type 6 regulated activities under the SFO

As at the Latest Practicable Date, the Independent Financial Adviser had no shareholding interest in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any securities in any member of the Group.

As at the Latest Practicable Date, the Independent Financial Adviser had no direct or indirect interest in any asset which had been, since 31 December 2025, being the date to which the latest published audited financial statements of the Company were made up, acquired or disposed of by or leased to, or were proposed to be acquired or disposed of by or leased to, any member of the Group.

The Independent Financial Adviser has given and has not withdrawn its written consent to the issue of this supplemental circular with the inclusion therein a copy of its advice and references to its name, in the form and context in which they respectively appear. The letter of the Independent Financial Adviser contained herein was issued on 18 May 2026 and was made by the Independent Financial Adviser for incorporation in this supplemental circular.

10. MISCELLANEOUS

This supplemental circular has been prepared in both English and Chinese. In the case of any discrepancy, the English text shall prevail.

11. DOCUMENTS ON DISPLAY

Copies of the Second Supplemental Agreement to the 2026 CNHTC Purchase of Goods Agreement and the 2029 CNHTC Non-exempt CCT Agreements will be published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://www.sinotruk.com>) for a period not less than 14 days from the date of this circular.