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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)**

**CONTINUING CONNECTED TRANSACTION**

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The Board announces that, in light of the expected increase in the provision of general services by the Connected Subsidiaries to the Group due to the Group's operational needs, on 27 June 2025, the Company has entered into the 2026 Receipt of General Services (Connected Subsidiaries) Agreement with CNHTC to govern the principal terms of the relevant transactions as more particularly detailed herein.

**IMPLICATIONS UNDER THE LISTING RULES**

As at the date of this announcement, CNHTC is a substantial shareholder of the Company. Accordingly, the transactions between the Group and the CNHTC Group as contemplated under the 2026 Receipt of General Services (Connected Subsidiaries) Agreement constitute continuing connected transactions of the Company.

As the highest percentage ratio calculated pursuant to the Listing Rules in respect of the transactions contemplated under the 2026 Receipt of General Services (Connected Subsidiaries) Agreement (on an annual and aggregated basis) exceeds 0.1% but all of which are less than 5%, such transactions are subject to the reporting, announcement and annual review requirements but exempted from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **I. INTRODUCTION**

The Board announces that, in light of the expected increase in the provision of general services by the Connected Subsidiaries to the Group due to the Group's operational needs, on 27 June 2025, the Company has entered into the 2026 Receipt of General Services (Connected Subsidiaries) Agreement with CNHTC to govern the principal terms of the relevant transactions as more particularly detailed herein.

## **II. 2026 RECEIPT OF GENERAL SERVICES (CONNECTED SUBSIDIARIES) AGREEMENT**

The principal terms of the 2026 Receipt of General Services (Connected Subsidiaries) Agreement and the transactions contemplated thereunder are as follows:

Date : 27 June 2025

Parties : (i) CNHTC  
(ii) The Company

Term : From 1 January 2025 to 31 December 2026 (both days inclusive)

### ***Subject matter:***

Pursuant to the 2026 Receipt of General Services (Connected Subsidiaries) Agreement, the CNHTC Group agreed to provide general services including but not limited to products testing and improvement services, transportation, technology development, short-term leasing, conference services, property management services, catering services, vehicles services and other services to the Group.

### ***Other terms and details:***

Pursuant to the 2026 Receipt of General Services (Connected Subsidiaries) Agreement, separate agreements will be entered into by relevant members of the Group and the CNHTC Group which will further provide the details of the services that shall be provided including the payment terms and specifications of the services. The payment terms for specific services will be based on normal commercial terms or industry practices provided that full payment shall be made by way of cash, cheques, notes or letters of credit within 90 days from the provision of services/date of entering into of the specific agreement for the provision of such services.

## *Pricing*

Pursuant to the 2026 Receipt of General Services (Connected Subsidiaries) Agreement, the CNHTC Group will provide general services to the Group on terms no less favourable than those that the CNHTC Group offers to independent third parties. The relevant service fee under the 2026 Receipt of General Services (Connected Subsidiaries) Agreement will be determined based on actual usage incurred by the Group with reference to (a) the price prescribed by the government or any regulatory authority (if applicable) and (b) the prevailing market price charged by independent third parties in their provision of similar services in their usual and ordinary course of business, taking into consideration of the particular circumstances of the support and services, the overall market prices, industry practices and other factors. The final fees are to be determined by the parties based on good faith negotiation in accordance with principles of fairness and reasonableness.

## *Historical transaction amounts*

The following table summarises the approximate historical transaction amounts in respect of the provision of general services by the Connected Subsidiaries to the Group for the two years ended 31 December 2024 and the five months ended 31 May 2025, respectively:

	<b>For the year ended 31 December 2023 RMB'000</b>	<b>For the year ended 31 December 2024 RMB'000</b>	<b>For the five months ended 31 May 2025 RMB'000</b>
Historical transaction amounts <i>(Note)</i>	24,711	52,234	28,746

*Note: For the avoidance of doubt, the transactions of the provision of general services by the Connected Subsidiaries to the Group for the two years ended 31 December 2024 and the five months ended 31 May 2025 were fully exempt from the reporting, annual review, announcement and independent shareholders' approval requirements pursuant to Rule 14A.76(1)(a) of the Listing Rules.*

*The transactions of the provision of general services by CNHTC and its associates to the Group for the three years ending 31 December 2026 are governed under the 2026 Receipt of General Services Agreement dated 31 March 2023 entered into between CNHTC and the Company (the details of which are disclosed in the Company's announcement dated 31 March 2023), and the relevant existing annual caps have not been exceeded as at the date of this announcement.*

## *New Caps and basis*

The following table shows the New Caps for the two years ending 31 December 2026 for the transactions contemplated under the 2026 Receipt of General Services (Connected Subsidiaries) Agreement:

	<b>For the year ending 31 December 2025 <i>(Note)</i> RMB'000</b>	<b>For the year ending 31 December 2026 RMB'000</b>
New Caps	100,000	100,000

*Note: The New Cap for the year ending 31 December 2025 under the 2026 Receipt of General Services (Connected Subsidiaries) Agreement has included the actual transaction amounts in respect of the provision of general services by the Connected Subsidiaries to the Group since 1 January 2025 to the date of this announcement.*

The New Caps for the two years ending 31 December 2026 for the transactions contemplated under the 2026 Receipt of General Services (Connected Subsidiaries) Agreement were determined after considering the following factors:

- (i) the historical transaction amounts of the provision of general services by the Connected Subsidiaries to the Group for the two years ended 31 December 2024 and the five months ended 31 May 2025, which has shown an increasing trend of the Group's demand of the services provided by the Connected Subsidiaries;
- (ii) that, based on the historical transaction amounts for the five months ended 31 May 2025, the annualized 2025 transaction amounts will be RMB69 million;
- (iii) the plan to have new technology services provided by the Connected Subsidiaries in respect of products testing and improvement services of approximately RMB33 million for the year ending 31 December 2025 while the Group will reduce its acceptance of property and conference services from the Connected Subsidiaries from 2025; and
- (iv) for the year ending 31 December 2026, the total transaction amounts are expected to be of the same level compared to the year ending 31 December 2025.

Taking into account and on the basis of the aforesaid factors, the New Caps for the two years ending 31 December 2026 have been set as RMB100 million, respectively.

#### *Internal control procedures*

The Company has established procedures for monitoring the Continuing Connected Transaction in which various departments of the Group will be responsible for the implementation, monitoring and review of such procedures. The Company's Securities Management Department ("**Securities Management Department**") carries out regular meetings on the management and control of connected transactions to monitor and ensure all the relevant continuing connected transactions are in compliance with the relevant rules and regulations. The Group's Finance & Operation Management 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 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's 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 and assess the effectiveness of the internal controls. In addition, the Company will engage the external auditors of the Company to conduct an annual review of the relevant continuing connected transaction of the Group to report to the Board whether there are any unapproved continuing connected transaction or any non-compliance, in all material respects, of the pricing policies and terms of the continuing connected transaction, including any exceeding of the pre-approved annual caps.

*Reasons for and benefits of entering into the 2026 Receipt of General Services (Connected Subsidiaries) Agreement*

The Connected Subsidiaries are principally engaged in road cargo transportation, products testing and improvement services, software development, technology development, leasing services, conferences and exhibitions, catering services, property management, comprehensive management, vehicles services and other services. The general services provided by the Connected Subsidiaries to the Group have effectively supported the business operations and development of the Group. In light of the Group's interests in the Connected Subsidiaries and the long-term relationship between the Group and the CNHTC Group, it is expected that the Connected Subsidiaries will be able to respond promptly to the Group's demands and provide the Group with quality services in an efficient manner, which will in turn contribute to the further improvement of the Group's performance in the future. It is also expected that the continual provision of general services by the Connected Subsidiaries will help the Group to avoid unnecessary disruption to its operations and reduce costs.

The Board (including the independent non-executive Directors but excluding the Interested Directors) is of the view that the transactions contemplated under the 2026 Receipt of General Services (Connected Subsidiaries) Agreement are on normal commercial terms, or on terms which are no less favourable than those offered by the CNHTC Group to independent third parties under prevailing local market conditions, the 2026 Receipt of General Services (Connected Subsidiaries) Agreement was entered into in the ordinary and usual course of business of the Group, and the terms of the transactions under 2026 Receipt of General Services (Connected Subsidiaries) Agreement (including the New Caps) are fair and reasonable, and are in the interests of the Company and the Shareholders as a whole.

### **III. INFORMATION ON THE PARTIES TO THE 2026 RECEIPT OF GENERAL SERVICES (CONNECTED SUBSIDIARIES) AGREEMENT**

*The Company*

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 as well as the provision of financial services. The Company is ultimately governed and controlled by 山東省人民政府國有資產監督管理委員會 (Shandong Provincial State-owned Assets Supervision and Administration Commission\*).

As at the date of this announcement, CNHTC is the holder of 51% of the Shares. CNHTC is therefore a connected person of the Company for the purpose of the Listing Rules. CNHTC is a commercial vehicles manufacturer and a controlling shareholder of the Company. It is a state-owned enterprise organised under the laws of the PRC with limited liability and is held as to approximately 65% by SHIG which is in turn ultimately governed and controlled by 山東省人民政府國有資產監督管理委員會 (Shandong Provincial State-owned Assets Supervision and Administration Commission\*).

#### IV. IMPLICATIONS UNDER THE LISTING RULES

As at the date of this announcement, CNHTC is a substantial shareholder of the Company. Accordingly, the transactions between the Group and the CNHTC Group as contemplated under the 2026 Receipt of General Services (Connected Subsidiaries) Agreement constitute continuing connected transactions of the Company.

As the highest percentage ratio calculated pursuant to the Listing Rules in respect of the transactions contemplated under the 2026 Receipt of General Services (Connected Subsidiaries) Agreement (on an annual and aggregated basis) exceeds 0.1% but all of which are less than 5%, such transactions are subject to the reporting, announcement and annual review requirements but exempted from the circular and independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

At the Board meeting held on 27 June 2025 approving, *inter alia*, the 2026 Receipt of General Services (Connected Subsidiaries) Agreement, in view of their respective positions in the relevant connected persons, the Interested Directors, Mr. Liu Zhengtao, Ms. Li Xia, Mr. Zhao Hua and Mr. Wang Dechun, have abstained from voting on the resolution approving the 2026 Receipt of General Services (Connected Subsidiaries) Agreement and the transactions contemplated thereunder. Save as disclosed above, none of the Directors has a material interest in the Continuing Connected Transaction.

## V. DEFINITIONS

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

“2026 Receipt of General Services (Connected Subsidiaries) Agreement”	the receipt of general services (connected subsidiaries) agreement dated 27 June 2025 entered into between the Company (for itself and on behalf of its subsidiaries) and CNHTC (for itself and on behalf of its associates and the Connected Subsidiaries), details of which are set out in section II. in this announcement
“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 substantial shareholder of the Company
“CNHTC Group”	CNHTC and its associates and the Connected Subsidiaries
“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 Subsidiaries”	any company that constitutes a connected subsidiary of the Company pursuant to Rule 14A.16 of the Listing Rules due to CNHTC or its associate(s)’ interests therein
“Continuing Connected Transaction”	the continuing connected transactions of the Group set out in this announcement
“controlling shareholder”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries



“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Interested Directors”	being Mr. Wang Zhijian, Mr. Liu Zhengtao, Ms. Li Xia, Mr. Zhao Hua and Mr. Wang Dechun; Mr. Wang Zhijian did not attend the Board meeting
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New Cap(s)”	the new annual cap(s) for the Continuing Connected Transaction as set out in section II. in this announcement
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, Macao Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Securities Management Department”	has the meaning ascribed thereto under the section headed “II. 2026 Receipt of General Services (Connected Subsidiaries) Agreement — Internal control procedures” in this announcement
“Share(s)”	ordinary share(s) in the capital of the Company
“Shareholder(s)”	holder(s) of the Shares in the Company
“SHIG”	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 and a controlling shareholder of the Company
“%”	per cent

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

Ji’nan, the PRC, 27 June 2025

*As at the date of this announcement, the board of the Company consists of seven executive Directors of the Company including Mr. Liu Zhengtao, Mr. Liu Wei, Ms. Li Xia, Mr. Han Feng, Mr. Zhao Hua, Mr. Wang Dechun and Ms. Han Xing; three non-executive Directors of the Company including Mr. Cheng Guangxu, Mr. Karsten Oellers, and Mr. Mats Lennart Harborn; and six independent non-executive Directors of the Company including Dr. Wang Dengfeng, Mr. Zhao Hang, Mr. Liang Qing, Mr. Lyu Shousheng, Mr. Zhang Zhong and Dr. Liu Xiaolun.*

*\* For identification purposes only*