



December 19, 2025

Company name: ISUZU MOTORS LIMITED

Representative: Shinsuke Minami, President and Representative Director, COO

(Securities code : 7202 • Tokyo Stock Exchange Prime Market)

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Notice Regarding Change in Consolidated Subsidiary (Becoming an Equity-Method Affiliate)

Isuzu Motors Limited (hereinafter, *the Company*) hereby announces that at the Management Meeting held today, the Company resolved to change *Isuzu (China) Engine Co., Ltd.*, a local joint venture in Chongqing, the People's Republic of China, with its business partners *Qingling Motors (Group) Co., Ltd. (Qingling Group)* and *Qingling Motors Co., Ltd. (Qingling Motors)*, from a consolidated subsidiary to an equity-method affiliate. The details are provided as follows (Unless otherwise stated, the foreign exchange rates used for the conversion into JPY are 1 CNY = 20 JPY and 1 USD = 140 JPY, with amounts less than one unit truncated).

1. Reason for the change

Isuzu (China) Engine Co., Ltd., a consolidated subsidiary of the Company (50.61% equity interest held by the Company), serves as a production base for engine components as well as a sales base for vehicles and engine parts in Chongqing, the People's Republic of China. In the Chinese market, significant structural transformation is underway in the powertrain sector, particularly with the acceleration of vehicle electrification, resulting in substantial changes in the business environment. Given these circumstances, the Company has determined that it is essential to establish a flexible and efficient business operation structure that can adapt to future market developments. Accordingly, the Company has decided to hold discussions with its local business partners regarding a transition to a jointly managed structure.

In connection with this transition, the capital of *Isuzu (China) Engine Co., Ltd.* will be reduced by an amount equivalent to 1.22%. Following the capital reduction, the shareholding ratios in the said company will be changed to the Company: 50.00%, Qingling Group: 30.43%, and Qingling Motors: 19.57%. As part of this transaction, the Company will receive a special dividend corresponding to the amount of the capital reduction, totaling CNY 26,484,338.95 (JPY 529,686,779). As a result, the said subsidiary company is expected to be reclassified from a consolidated subsidiary to an equity-method affiliate.

2. Company profile (to become an equity-method affiliate)

(1) Name	Isuzu (China) Engine Co., Ltd.
(2) Location	1 Xiexing Road, Zhong Liang Shan, Jiu long po District, Chongqing, The People's Republic of China
(3) Title and name of representative	Tomomi Nagamatsu, CEO
(4) Type of business	Localization and development of engines and parts, including testing, manufacturing, sales and after-sales support
(5) Capital	USD 324.26 million (JPY 4,539.64 million)
(6) Date of establishment	May 2007

(7)	Major shareholders and shareholding ratio	Company: 50.61%, Qingling Group: 30.06%, Qingling Motors: 19.33%		
(8)	Relationship between the listed company and the relevant company			
	Capital relationship	Consolidated subsidiary with a 50.61% equity interest held by the Company		
	Personnel relationship	Four employees of the Company concurrently serve as directors of the relevant company.		
	Business relationship	The Company supplies engine components.		
(9)	Financial results and financial position of the relevant company for the most recent three fiscal years			
	Fiscal year	Fiscal year ended December 31, 2022	Fiscal year ended December 31, 2023	Fiscal year ended December 31, 2024
	Net assets	CNY 2,208 million (JPY 44,160 million)	CNY 2,171 million (JPY 43,420 million)	CNY 2,196 million (JPY 43,920 million)
	Total assets	CNY 2,629 million (JPY 52,580 million)	CNY 2,558 million (JPY 51,160 million)	CNY 2,797 million (JPY 55,940 million)
	Net Sales	CNY 814 million (JPY 16,280 million)	CNY 817 million (JPY 16,340 million)	CNY 826 million (JPY 16,520 million)
	Operating income	CNY 6 million (JPY 120 million)	(CNY 42 million) ((JPY 840 million))	CNY 2 million (JPY 40 million)
	Ordinary income	CNY 46 million (JPY 920 million)	CNY 1 million (JPY 20 million)	CNY 32 million (JPY 640 million)
	Net income	CNY 46 million (JPY 920 million)	CNY 2 million (JPY 40 million)	CNY 28 million (JPY 560 million)

3. Overview of major shareholders other than the Company (joint venture partners)

(1)	Name	Qingling Group	Qingling Motors
(2)	Location	1 Xiexing Road, Zhong Liang Shan, Jiu Long Po District, Chongqing, The People's Republic of China	Same as on the left
(3)	Title and name of representative	Luo Yu Guang, Chairman	Luo Yu Guang, Chairman
(4)	Type of business	Manufacture and distribution of vehicles	Manufacture and distribution of vehicles
(5)	Capital	CNY 410 million (JPY 8,200 million)	CNY 2,482 million (JPY 49,640 million)
(6)	Date of establishment	December 1994	May 1985
(7)	Net assets	CNY 5,649 million (JPY 112,980 million)	CNY 7,520 million (JPY 150,400 million)
(8)	Total assets	CNY 6,788 million (JPY 135,760 million)	CNY 10,183 million (JPY 203,660 million)
(9)	Major shareholders and shareholding ratio	Chongqing Yufu Holding Group Co.,Ltd.: 80% Chongqing State-owned Assets Supervision and Administration Commission: 20%	Company: 20%, Qingling Group: 50.1%, Others: 29.9%

(10)	Relationship between the listed company and the relevant company		
	Capital relationship	None	The Company holds a 20% equity stake.
	Personnel relationship	None	Two employees of the Company concurrently serve as directors of the relevant company.
	Business relationship	None	The Company supplies parts.
	Status as a Related Party	None	Yes (affiliated company of the Company)

4. Schedule of the change

- (1) Resolution of shareholders' meeting of Isuzu (China) Engine Co., Ltd.: December 19, 2025
- (2) Change to an equity-method affiliate: February 2026 (scheduled)

5. Outlook

As a result of this transfer of shares, Isuzu (China) Engine Co., Ltd. is expected to be excluded from the scope of consolidation and become an equity-method affiliate starting from the fourth quarter of the fiscal year ending March 2026. The impact of this transaction on the Company's consolidated financial results, including the gain or loss on the transfer, is expected to be minor.

Should any matters requiring disclosure arise in the future, the Company will make an announcement promptly.

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