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CALB Group Co., Ltd.

中創新航科技集團股份有限公司

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 3931)

**RENEWAL OF CONTINUING CONNECTED TRANSACTIONS
AND
REVISION OF ANNUAL CAPS FOR THE 2024 TO 2026 ENGINEERING AND
CONSTRUCTION FRAMEWORK AGREEMENT**

References are made to the announcement of the Company dated December 18, 2023, the circular dated January 11, 2024 and the announcement dated January 31, 2024 in relation to, among others, the 2024 Sales Framework Agreement entered into between the Company and Luoyang Company, and the 2024 Entrusted Processing Framework Agreement entered into between the Company and Luoyang Company. All of these agreements will expire on December 31, 2024.

Reference is also made to the announcement of the Company dated December 18, 2023 in relation to, among others, the 2024 to 2026 Engineering and Construction Framework Agreement entered into between the Company and Jiangsu Chengdong Construction pursuant to which Jiangsu Chengdong Construction and its subsidiaries will provide the general contracting services for design, procurement, and construction for certain industrial parks or buildings of the Group for a term of three years commencing from January 1, 2024 to December 31, 2026.

The Board is pleased to announce that on November 15, 2024, the Board agreed to enter into (i) the sales framework agreement (the “**2025 Sales Framework Agreement**”) between the Company (for itself and on behalf of the Group) and Luoyang Company (for itself and on behalf of its associates), pursuant to which the Group will sell Lithium Batteries (as defined below) and related products (such as raw materials, semi-finished products, finished products) to Luoyang Company and its associates, and (ii) the entrusted processing framework agreement (the “**2025 Entrusted Processing Framework Agreement**”) between the Company (for itself and on behalf of the Group) and Luoyang Company (for itself and on behalf of Luoyang Group), pursuant to which the Group will entrust Luoyang Group to provide processing services of EV battery products for civil use and energy storage system (ESS) products (collectively the “**Lithium Batteries**”) to the Group for a term of one year commencing from January 1, 2025 to December 31, 2025.

On November 15, 2024, the Board agreed to enter into the Supplemental Agreement to 2024 to 2026 Engineering and Construction Framework Agreement between the Company and Jiangsu Chengdong Construction to revise the annual caps under the 2024 to 2026 Engineering and Construction Framework Agreement. Save for the revision of the annual caps, the other principal terms of the 2024 to 2026 Engineering and Construction Framework Agreement remain unchanged.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Jintan Holding directly and indirectly held approximately 26.02% of the total issued shares of the Company and is one of the substantial shareholders of the Company, and therefore Jintan Holding and its associates are connected persons of the Company. Luoyang Company is a non-wholly owned subsidiary of Jintan Holding, and hence a connected person of the Company. Therefore, the transactions contemplated under the 2025 Sales Framework Agreement and the 2025 Entrusted Processing Framework Agreement will constitute continuing connected transactions of the Company under the Chapter 14A of the Listing Rules, respectively.

As at the date of this announcement, Jiangsu Chengdong Construction is a non-wholly owned subsidiary of Jintan Holding, and hence a connected person of the Company. Therefore, the transactions contemplated under the Supplemental Agreement to 2024 to 2026 Engineering and Construction Framework Agreement constitute continuing connected transactions of the Company under the Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio of the annual cap under the 2025 Sales Framework Agreement is more than 0.1% but less than 5%, the transactions contemplated thereunder are therefore subject to the reporting, announcement and annual review requirements but exempt from the circular and the independent Shareholders' approval requirements under the Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio of the revised annual caps under the Supplemental Agreement to 2024 to 2026 Engineering and Construction Framework Agreement is more than 0.1% but less than 5%, the transactions contemplated thereunder are therefore subject to the reporting, announcement and annual review requirements but exempt from the circular and the independent Shareholders' approval requirements under the Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio of the annual cap under the 2025 Entrusted Processing Framework Agreement is more than 5%, the transactions contemplated thereunder are therefore subject to the reporting, announcement, annual review and the independent Shareholders' approval requirements under the Chapter 14A of the Listing Rules.

The Independent Board Committee has been formed to provide recommendation to the independent Shareholders in respect of the 2025 Entrusted Processing Framework Agreement and the transactions contemplated thereunder. Somerley Capital will be appointed as the Independent Financial Adviser to advise the Independent Board Committee and the independent Shareholders in this regard.

A circular containing, among other things, (i) details of the transactions contemplated under the 2025 Entrusted Processing Framework Agreement; (ii) a letter of recommendation from the Independent Board Committee to the independent Shareholders; and (iii) a letter of recommendation from Somerley Capital to the Independent Board Committee and independent Shareholders, is expected to be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.calb-tech.com) by no later than December 6, 2024, and will be dispatched to Shareholders who have already provided instructions indicating their preference to receive hard copies in due course, as additional time is required to prepare and finalize the relevant information to be included in the circular.

THE RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

1. 2025 Sales Framework Agreement

Principal terms of the 2025 Sales Framework Agreement to be entered into are set out below:

Parties	(a) the Company (for itself and on behalf of the Group); and (b) Luoyang Company (for itself and on behalf of its associates)
Term of the agreement	From January 1, 2025 to December 31, 2025
Subject	The Group will sell Lithium Batteries and related products (such as raw materials, semi-finished products, finished products) to Luoyang Company and its associates.
Payment arrangement	Details of the scope of the relevant products, the calculation of fees, payment methods and other service arrangements will be separately agreed by the relevant parties.
Conditions	The 2025 Sales Framework Agreement will take effect upon the fulfillment of the following conditions: <ul style="list-style-type: none">• The Company has complied with the relevant requirements of the Listing Rules in relation to the 2025 Sales Framework Agreement and the transactions contemplated thereunder, including but not limited to reporting to the Stock Exchange, publishing announcements and obtaining the Board's and/or independent Shareholders' approval (if applicable) with respect to the 2025 Sales Framework Agreement.

Pricing Policy

The prices of Lithium Batteries and related products sold by the Group to Luoyang Company and its associates will be determined after arm's length negotiations mainly by reference to market prices and the sales prices of similar products supplied by the Group to other Independent Third Party customers, having taken into account the costs plus a reasonable profit margin. Specifically, the prices of Lithium Batteries and related products are determined after arm's length negotiations based on the manufacturing costs of the Group's Lithium Batteries and related products and a profit margin of approximately 2% to 10%. In addition, the Group will implement internal controls sufficient to ensure that the price under continuing connected transactions is fair and reasonable. For details of the internal control measures, please refer to "Internal Control Measures" in this announcement.

Historical Amount

For the ten months ended October 31, 2024, the total transaction amount incurred from the sales of Lithium Batteries and related products (such as raw materials, semi-finished products, finished products) by the Group to Luoyang Company and its associates under the 2024 Sales Framework Agreement was approximately RMB795.55 million.

Annual cap and basis for annual cap

It is estimated that the maximum aggregate transaction amount incurred from the sales of Lithium Batteries and related products (such as raw materials, semi-finished products, finished products) by the Group to Luoyang Company and its associates under the 2025 Sales Framework Agreement will not exceed RMB900 million for the year ending December 31, 2025.

In determining the above proposed annual cap, the Directors have considered (1) the historical transaction amount of the sales of Lithium Batteries and related products by the Group to Luoyang Company and its associates for the ten months ended October 31, 2024; (2) the demand of Lithium Batteries and related products in 2025 as estimated and provided by Luoyang Company; (3) the expected selling prices of the Lithium Batteries and related products under the 2025 Sales Framework Agreement; and (4) an approximate 3% buffer set for price changes of related products and possible market changes.

Reasons for and benefits of entering into the 2025 Sales Framework Agreement

The Directors are of the view that the transactions under the 2025 Sales Framework Agreement will benefit the Company, mainly because the Company's principal business includes the sale of Lithium Batteries and related products. The sale of Lithium Batteries and related products to Luoyang Company and its associates at fair, reasonable and competitive prices is part of the Company's ordinary and usual course of business, which helps enhance the Group's revenue in the sale of Lithium Batteries and related products and promotes the Group's business development. Luoyang Company has a thorough understanding of the Company's product range, product quality and cooperation model, and it is cost effective and mutually beneficial for both parties to continue the cooperation.

2. 2025 Entrusted Processing Framework Agreement

Principal terms of the 2025 Entrusted Processing Framework Agreement to be entered into are set out below:

Parties	(a) the Company (for itself and on behalf of the Group); and (b) Luoyang Company (for itself and on behalf of Luoyang Group)
Term of the agreement	From January 1, 2025 to December 31, 2025
Nature of transaction	The Company entrusts Luoyang Group for the provision of processing service of Lithium Batteries. Luoyang Group will be responsible for the raw materials, front line workers and technicians whose licences and qualifications are approved by us and completing the production and processing.
Terms of payment	Details of the payment methods and other service arrangements will be separately agreed by the relevant parties.
Quality control	Luoyang Group has the obligation to inspect the finished goods according to the quality control standards requirements.
Licensing of patent	The Company grants Luoyang Group the right to use certain specified patents of the Company (“ Authorized Patents ”) which are necessary for its provision of Lithium Batteries processing services. In this connection, Luoyang Group undertakes to only use the Authorized Patents for the purpose of the Lithium Batteries processing services under the 2025 Entrusted Processing Framework Agreement and that it shall not be entitled to use the Authorized Patents for other purposes unless prior written consent is obtained from us.
Ownership of intellectual property rights	The intellectual property right(s) and the right(s) to apply for patents in relation to all documents, certificates, drawings and information provided by the Company and arising from performing the specific entrusted processing agreement shall belong to the Company.
Conditions	The 2025 Entrusted Processing Framework Agreement will take effect upon the fulfillment of the following conditions: <ul style="list-style-type: none">• The Company has complied with the relevant requirements of the Listing Rules in relation to the 2025 Entrusted Processing Framework Agreement and the transactions contemplated thereunder, including but not limited to reporting to the Stock Exchange, publishing announcements and obtaining the Board’s and/or independent Shareholders’ approval (if applicable) with respect to the 2025 Entrusted Processing Framework Agreement.

Pricing policy

The prices of processing service of Lithium Batteries entrusted by the Group to Luoyang Group are determined with reference to the cost of processing and producing Lithium Batteries and the prevailing market price of processing services in the same or proximity areas charged by Independent Third Parties, which mainly comprise (i) the costs to be incurred by Luoyang Group for processing and producing Lithium Batteries; and (ii) a reasonable profit of around 2%-3% of the above mentioned costs for the entrusted processing services. The Company would normally review at least two quotations from and/or agreements entered into with the Independent Third Parties for providing similar services as comparison in determining the fees to be paid for processing services under the 2025 Entrusted Processing Framework Agreement.

Historical amount

For the ten months ended October 31, 2024, the total service fees incurred from entrusted processing services provided by Luoyang Group were approximately RMB1,654.40 million.

Proposed annual cap and basis for proposed annual cap

It is estimated that the fees to be incurred under the 2025 Entrusted Processing Framework Agreement will not exceed RMB3,000 million for the year ending December 31, 2025.

In determining such proposed annual cap, the following factors have been taken into consideration (i) the historical amount incurred for the ten months ended October 31, 2024; (ii) the cost of processing and producing the Lithium Batteries; (iii) the prevailing market price for the provision of processing service in the same or proximity areas; (iv) the expected production capacity of approximately 6GWh per year of Luoyang Company; (v) the compound annual growth rate of 97% from 2021 to 2023 of sales volume of EV batteries and ESS products; and (vi) the expected production capacity and utilization. Due to the non-competing undertakings, all the civil use production lines will be used for meeting the demands of the Company.

Reasons for and benefits of entering into the 2025 Entrusted Processing Framework Agreement

The Directors are of the view that the transactions under the 2025 Entrusted Processing Framework Agreement are to the benefit of the Company because (i) Luoyang Company has a mature and stable production line, and is able to serve the Company's existing customers nearby. The use of Luoyang Company's existing production capacity is more economical than the construction of new production lines by the Company, which can ensure the stability of products of relevant models and the continuity of orders so as to meet customer needs; (ii) Luoyang Company as well as the shareholders of Luoyang Company have already entered into a non-compete undertaking in favour of each member of the Group and undertook that Luoyang Company cannot engage in the business of manufacturing, research and development and sales of the Lithium Batteries, unless the Company's demands for entrusted processing services for the Lithium Batteries have been satisfied and an expressed consent have been obtained from the Company. Such undertaking can effectively avoid potential competition from Luoyang Company; and (iii) it is not easy to find a substitute for provision of processing service of the Lithium Batteries in the market with similar quality, price, production capacity and cultivated trust and understanding.

REVISION OF ANNUAL CAPS FOR THE CONTINUING CONNECTED TRANSACTIONS UNDER THE 2024 TO 2026 ENGINEERING AND CONSTRUCTION FRAMEWORK AGREEMENT

3. Revision of Annual Caps for the 2024 to 2026 Engineering and Construction Framework Agreement

Certain construction projects originally scheduled to be completed and settled in 2025 and 2026 under the 2024 to 2026 Engineering and Construction Framework Agreement between the Group and Jiangsu Chengdong Construction have been completed and accepted in 2024. Accordingly, these projects are expected to be settled in 2024 in advance. The Board expects that the fees to be incurred by the Company for the services to be provided by Jiangsu Chengdong Construction and its subsidiaries to the Group for the year ending December 31, 2024 will exceed the existing annual cap for the year ending December 31, 2024 under the 2024 to 2026 Engineering and Construction Framework Agreement, and that the fees to be incurred for the services to be provided by Jiangsu Chengdong Construction and its subsidiaries to the Group for the two years ending December 31, 2025 and December 31, 2026 will decrease accordingly. Therefore, on November 15, 2024, the Board agreed to enter into the Supplemental Agreement to 2024 to 2026 Engineering and Construction Framework Agreement between the Company and Jiangsu Chengdong Construction to revise the annual caps under the 2024 to 2026 Engineering and Construction Framework Agreement. Save for the revision of the annual caps, the other principal terms of the 2024 to 2026 Engineering and Construction Framework Agreement remain unchanged.

Historical amount and existing annual caps

For the two years ended December 31, 2022 and December 31, 2023 and ten months ended October 31, 2024, the fees incurred from services provided by Jiangsu Chengdong Construction and its subsidiaries to the Group, including the general contracting services of design, procurement and construction of the Group's certain industrial parks or buildings were approximately RMB493.23 million, RMB130.38 million and RMB172.32 million, respectively.

The existing annual caps for fees to be incurred by the Group (excluding taxes) under the 2024 to 2026 Engineering and Construction Framework Agreement for the three years ending December 31, 2024, December 31, 2025 and December 31, 2026 will not exceed RMB230 million, RMB200 million and RMB140 million, respectively.

The Revised Annual Caps

In accordance with the Supplemental Agreement to the 2024 to 2026 Engineering and Construction Framework Agreement, the revised caps for fees to be incurred from services provided by Jiangsu Chengdong Construction and its subsidiaries to the Group under such Agreement, including the general contracting services of design, procurement and construction of the Group's certain industrial parks or buildings, are set out below:

	For the year ending December 31		
	2024	2025	2026
	(RMB in million)	(RMB in million)	(RMB in million)
The revised annual caps for the fees (excluding tax) to be incurred by the Group under the Supplemental Agreement to 2024 to 2026 Engineering and Construction Framework Agreement	400	70	70

The Basis for Determining the Revised Annual Caps

In determining the above revised annual caps for the years ending December 31, 2024, 2025 and 2026, the Board mainly considered the following factors:

- For the ten months ended October 31, 2024, the fees incurred from services provided by Jiangsu Chengdong Construction and its subsidiaries to the Group, including the general contracting services of design, procurement and construction of the Group's certain industrial parks or buildings were approximately RMB172.32 million; and
- Certain construction projects originally scheduled to be completed and settled in 2025 and 2026 under the 2024 to 2026 Engineering and Construction Framework Agreement between the Group and Jiangsu Chengdong Construction have been completed and accepted in 2024. Accordingly, these projects are expected to be settled in 2024 in advance. The Board expects that the fees to be incurred by the Company for the services to be provided by Jiangsu Chengdong Construction and its subsidiaries to the Group for the year ending December 31, 2024 will increase and is expected to exceed the existing annual cap for the year ending December 31, 2024 under the 2024 to 2026 Engineering and Construction Framework Agreement, and that the fees to be incurred for the services to be provided by Jiangsu Chengdong Construction and its subsidiaries to the Group for the two years ending December 31, 2025 and December 31, 2026 will decrease accordingly.

Reasons for and benefits of entering into the Supplemental Agreement to the 2024 to 2026 Engineering and Construction Framework Agreement

General contracting services provided by Jiangsu Chengdong Construction and its subsidiaries in respect of design, procurement and construction to certain industrial parks or buildings of the Group are in line with the Group's strategy and expansion plan, and lay a solid foundation for the long-term development of the Group, which will have a positive impact on the current and future performance of the Group. The early completion, acceptance and settlement of construction projects under the 2024 to 2026 Engineering and Construction Framework Agreement between the Group and Jiangsu Chengdong Construction will allow these projects to yield benefits earlier, which is favorable to the Company in enhancing its market share and competitiveness. Taking into consideration the basis of determining the revised annual caps as referred to in the section headed "The Basis for Determining the Revised Annual Caps", the Board believes that the revision of the annual caps for the continuing connected transactions under the 2024 to 2026 Engineering and Construction Framework Agreement and the entering into of the Supplemental Agreement to 2024 to 2026 Engineering and Construction Framework Agreement are in the interests of the Company and Shareholders as a whole.

INTERNAL CONTROL MEASURES

The Company will adopt the following internal control and corporate governance measures to closely monitor connected transactions and ensure future compliance with the Listing Rules:

- (1) the Company will adopt and implement a management system on connected transactions and the Board and various internal departments of the Company will be responsible for the control and daily management in respect of the continuing connected transactions;
- (2) the Board and various other internal departments of the Company (including but not limited to the finance department and legal department) will be jointly responsible for evaluating the terms under the relevant agreements for the continuing connected transactions, in particular, the fairness of the pricing policies and annual caps (if applicable) under each transaction;
- (3) the Board and the finance department of the Group will regularly monitor the connected transactions (including but not limited to transaction amounts and annual caps under the relevant agreements) and management of the Company will review the pricing policies to ensure connected transactions to be performed in accordance with the relevant agreements through the following review procedures every half year:
 - (i) they will compare the proposed price with the market price to ensure that the proposed price is equivalent to or no less favorable to us than the price offered to or by the Independent Third Parties for providing similar services or products. The Company will make enquiries from at least two Independent Third Parties for their quotations and conduct internal assessments; and
 - (ii) review the proposed price to ensure it is consistent with the pricing terms under the 2025 Sales Framework Agreement, the 2025 Entrusted Processing Framework Agreement and the 2024 to 2026 Engineering and Construction Framework Agreement, and the terms offered by connected persons to the Group are no less favorable than those offered by the Independent Third Parties.
- (4) the Company shall engage auditors to, and the independent non-executive Directors will, conduct annual review on the continuing connected transactions to ensure that the transactions contemplated thereunder have been conducted pursuant to the requirements of the Listing Rules and have fulfilled the relevant disclosure requirements;
- (5) the Company will comply with the relevant requirements under the Chapter 14A of the Listing Rules for the continuing connected transactions; and
- (6) when considering any renewal or revisions to the 2025 Sales Framework Agreement, the 2025 Entrusted Processing Framework Agreement and the Supplemental Agreement to 2024 to 2026 Engineering and Construction Framework Agreement, the materially interested Directors and Shareholders shall abstain from voting on the resolutions to approve such transactions at Board meetings and general meetings (as the case may be).

OPINION OF THE BOARD

The Directors (including the independent non-executive Directors) are of the view that (i) each of the 2025 Sales Framework Agreement and the Supplemental Agreement to the 2024 to 2026 Engineering and Construction Framework Agreement and the transactions contemplated thereunder have been entered into in the ordinary and usual course of business of the Group and are based on normal commercial terms that are fair and reasonable and in the interests of the Company and Shareholders as a whole; and (ii) the annual caps for the 2025 Sales Framework Agreement and the transactions contemplated thereunder and the revised annual caps for the Supplemental Agreement to the 2024 to 2026 Engineering and Construction Framework Agreement and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and Shareholders as a whole.

The Directors (excluding the independent non-executive Directors whose view will be disclosed in the circular) are of the view that the terms of the 2025 Entrusted Processing Framework Agreement (including the proposed annual cap for the year ending December 31, 2025) are conducted in the ordinary and usual business of the Company and are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Mr. Zhou Sheng and Mr. Zhang Guoqing, as non-executive Directors, hold important positions in Jintan Holding and its close associates. They have therefore abstained from voting on the relevant Board resolutions approving the 2025 Sales Framework Agreement, the 2025 Entrusted Processing Framework Agreement and the Supplemental Agreement to the 2024 to 2026 Engineering and Construction Framework Agreement and the revision of the existing annual caps for the continuing connected transactions thereunder. Save as disclosed above, none of the other Directors has material interests in the transactions contemplated thereunder.

INFORMATION RELATING TO PARTIES

The Group is a leading new energy technology company mainly engaged in the design, R&D, production and sales of EV batteries and ESS products.

Luoyang Company is a limited liability company established in the PRC, principally engaged in research, production, sales and market application development of Lithium Batteries, battery management systems (BMS), energy storage batteries and related integrated products and Lithium Battery-related materials and sales of new energy vehicles and parts. To the best of the directors' knowledge, information and belief having made all reasonable enquiry, the ultimate beneficial owner of Luoyang Company is the People's Government of Jintan District, Changzhou.

Jiangsu Chengdong Construction is a limited liability company established in the PRC, principally engaged in engineering and construction of buildings, building renovation and decorative design. To the best of the directors' knowledge, information and belief having made all reasonable enquiry, the ultimate beneficial owner of Jiangsu Chengdong Construction is the People's Government of Jintan District, Changzhou.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Jintan Holding directly and indirectly held approximately 26.02% of the total issued shares of the Company and is one of the substantial shareholders of the Company, and therefore Jintan Holding and its associates are connected persons of the Company. Luoyang Company is a non-wholly owned subsidiary of Jintan Holding, and hence a connected person of the Company. Therefore, the transactions contemplated under the 2025 Sales Framework Agreement and the 2025 Entrusted Processing Framework Agreement will constitute continuing connected transactions of the Company under the Chapter 14A of the Listing Rules, respectively.

As at the date of this announcement, Jiangsu Chengdong Construction is a non-wholly owned subsidiary of Jintan Holding, and hence a connected person of the Company. Therefore, the transactions contemplated under the Supplemental Agreement to 2024 to 2026 Engineering and Construction Framework Agreement constitute continuing connected transactions of the Company under the Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio of the annual cap under the 2025 Sales Framework Agreement is more than 0.1% but less than 5%, the transactions contemplated thereunder are therefore subject to the reporting, announcement and annual review requirements but exempt from the circular and the independent Shareholders' approval requirements under the Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio of the revised annual caps under the Supplemental Agreement to 2024 to 2026 Engineering and Construction Framework Agreement is more than 0.1% but less than 5%, the transactions contemplated thereunder are therefore subject to the reporting, announcement and annual review requirements but exempt from the circular and the independent Shareholders' approval requirements under the Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio of the annual cap under the 2025 Entrusted Processing Framework Agreement is more than 5%, the transactions contemplated thereunder are therefore subject to the reporting, announcement, annual review and the independent Shareholders' approval requirements under the Chapter 14A of the Listing Rules.

The Independent Board Committee has been formed to provide recommendation to the independent Shareholders in respect of the 2025 Entrusted Processing Framework Agreement and the transactions contemplated thereunder. Somerley Capital will be appointed as the Independent Financial Adviser to advise the Independent Board Committee and the independent Shareholders in this regard.

A circular containing, among other things, (i) details of the transactions contemplated under the 2025 Entrusted Processing Framework Agreement; (ii) a letter of recommendation from the Independent Board Committee to the independent Shareholders; and (iii) a letter of recommendation from Somerley Capital to the Independent Board Committee and independent Shareholders, is expected to be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.calb-tech.com) by no later than December 6, 2024, and will be dispatched to Shareholders who have already provided instructions indicating their preference to receive hard copies in due course, as additional time is required to prepare and finalize the relevant information to be included in the circular.

DEFINITIONS

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

“2024 to 2026 Engineering and Construction Framework Agreement”	the 2024 to 2026 Engineering and Construction Framework Agreement dated January 4, 2024 entered into between the Company (for itself and on behalf of the Group) and Jiangsu Chengdong Construction (for itself and on behalf of its subsidiaries), in relation to, among others, the provision of the general contracting services by Jiangsu Chengdong Construction and its subsidiaries for design, procurement, and construction for certain industrial parks or buildings of the Group for a term of three years commencing from January 1, 2024 to December 31, 2026
“associate(s)”	has the same meaning ascribed to it under the Listing Rules
“Board”	the board of Directors of the Company
“Company”, “we”, or “us”	CALB Group Co., Ltd. (中創新航科技集團股份有限公司), (formerly known as CALB (Jiangsu) Co., Ltd.* (中航鋰電(江蘇)有限公司), CALB Technology Co., Ltd.* (中航鋰電科技有限公司), CALB Technology Holding Co., Ltd.* (中航鋰電科技股份有限公司) and CALB Co., Ltd. (中創新航科技股份有限公司)), a company established under the laws of the PRC with limited liability on December 8, 2015, and subsequently converted into a joint stock company with limited liability on November 10, 2021
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened to approve the 2025 Entrusted Processing Framework Agreement and the related annual cap or any adjournment thereof
“Group”	the Company and its subsidiaries, and their respective predecessors
“H Share(s)”	overseas listed foreign shares in the ordinary share capital of the Company with a nominal value of RMB1.00 each, subscribed for and traded in Hong Kong dollars and listed on the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Independent Board Committee”	the independent committee of the Board, comprising all the independent non-executive Directors, formed for the purpose of advising the independent Shareholders in respect of the 2025 Entrusted Processing Framework Agreement and the transactions contemplated thereunder
“Independent Financial Adviser” or “Somerley Capital”	Somerley Capital Limited, the independent financial adviser appointed to advise the Independent Board Committee and the independent Shareholders in relation to the 2025 Entrusted Processing Framework Agreement
“Independent Third Party(ies)”	an individual(s) or a company(ies) who or which, as far as the Directors are aware after having made all reasonable enquiries, is/are not (a) connected person(s) of the Company within the meaning of the Listing Rules
“Jiangsu Chengdong Construction”	Jiangsu Chengdong Construction Projects Co., Ltd.* (江蘇城東建設工程有限公司), a subsidiary of Jintan Holding and a connected person of the Company
“Jincheng Technology”	Jiangsu Jintan Jincheng Technology Industry Development Co., Ltd.* (江蘇金壇金城科技產業發展有限公司), a company established under the laws of the PRC with limited liability on December 7, 2015 and wholly owned by Jintan Holding, a connected person of the Company
“Jintan Holding”	Jiangsu Jintan Investment Holding Co., Ltd.* (江蘇金壇投資控股有限公司), a company established under the laws of the PRC with limited liability on September 16, 2014 and wholly owned by the Government of Jintan District, a connected person of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Luoyang Company”	China Lithium Battery Technology (Luoyang) Co., Ltd.* (中航鋰電(洛陽)有限公司), a company directly owned as to 51% by Jincheng Technology. Jincheng Technology is wholly owned by Jintan Holding, being a substantial Shareholder, and hence an associate of Jintan Holding and therefore a connected person of the Company
“Luoyang Group”	Luoyang Company and its subsidiaries
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macao Special Administrative Region and Chinese Taiwan

“Share(s)”	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the same meaning ascribed to it under the Listing Rules
“Supplemental Agreement to 2024 to 2026 Engineering and Construction Framework Agreement”	a supplemental agreement to the 2024 to 2026 Engineering and Construction Framework Agreement entered into between the Company (for itself and on behalf of the Group) and Jiangsu Chengdong Construction (for itself and on behalf of its subsidiaries), in relation to the revision of the annual caps for the 2024 to 2026 Engineering and Construction Framework Agreement
“%”	per cent

* *for identification purposes only*

By order of the Board
CALB Group Co., Ltd.
Liu Jingyu

Chairwoman of the Board, executive Director and president

Changzhou, PRC
November 15, 2024

As at the date of this announcement, the Board of Directors comprises Ms. Liu Jingyu and Mr. Dai Ying as executive Directors, Mr. Zhou Sheng and Mr. Zhang Guoqing as non-executive Directors, Mr. Wu Guangquan, Mr. Wang Susheng and Mr. Chen Zetong as independent non-executive Directors.