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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)**

**MAJOR TRANSACTION  
ACQUISITION OF THE TARGET COMPANY  
AND  
SUBSCRIPTION FOR NEWLY ISSUED SHARES OF  
THE TARGET COMPANY**

**THE ACQUISITION**

On 6 May 2025, the Company entered into the Share Transfer Agreement and the Voting Rights Waiver Agreement with the Vendor, pursuant to which the Company has conditionally agreed to acquire, and the Vendor has conditionally agreed to sell, 87,620,380 A shares of the Target Company, representing 11.00% of the total issued share capital of the Target Company as at the date of this announcement. The price of the Target Shares for the Acquisition is RMB5.83 per Target Share. The consideration for the Acquisition shall be RMB510,826,815.40. Concurrently, the Vendor has agreed to give up its voting rights attached to a portion of shares held by him in the Target Company, totaling 155,725,311 A shares, during the Waiver Period, representing 19.55% of the total issued share capital of the Target Company as at the date of this announcement. The Acquisition and the voting rights waiver constitute an indivisible whole and are not conditional upon the Subscription.

Immediately after the completion of the Acquisition and the voting rights waiver, and the adjustment to the composition of the board of directors of the Target Company as stipulated in the Share Transfer Agreement, the Target Company will become a subsidiary of the Company, and the financial results of the Target Company will be consolidated into the Company's consolidated financial statements.

**THE SUBSCRIPTION**

On 6 May 2025, the Company entered into the Placement Subscription Agreement with the Target Company, pursuant to which the Company has conditionally agreed to subscribe for, and the Target Company has conditionally agreed to allot and issue to the Company, up to 119,482,337 Placement A Shares at the subscription price of RMB5.63 per Placement A Share. The total amount of the Subscription shall not exceed RMB672,685,557.31.

Immediately following completion of the Acquisition and the Subscription, and assuming no further changes in the share capital of the Target Company, it is expected that the Company will hold an aggregate of approximately 22.61% of the issued shares of the Target Company. The Subscription is subject to and conditional upon the implementation of the Acquisition and the voting rights waiver.

## **HONG KONG LISTING RULES IMPLICATIONS**

Each of the Acquisition and the Subscription constitutes a notifiable transaction under Chapter 14 of the Hong Kong Listing Rules. Pursuant to Rules 14.22 and 14.23 of the Hong Kong Listing Rules, the highest applicable percentage ratios for the Acquisition and the Subscription on an aggregated basis exceed 25% but are lower than 100%. Therefore, pursuant to Chapter 14 of the Hong Kong Listing Rules, the Acquisition and the Subscription constitute a major transaction of the Company and are subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Hong Kong Listing Rules.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, none of the Shareholders or any of their close associates has a material interest in the Acquisition and the Subscription. Accordingly, no Shareholders are required to abstain from voting on the relevant resolutions to be proposed at the general meeting to approve each of the transactions contemplated under the Acquisition and the Subscription.

## **GENERAL**

An extraordinary general meeting will be convened by the Company for the Shareholders to consider and, if thought fit, approve, among other things, the Acquisition and the Subscription and the agreements relating thereto. As additional time is required for the preparation of the relevant information to be included in the circular, a circular containing, among other things, details of the Acquisition and the Subscription and such other information as required to be disclosed pursuant to the requirements of the Hong Kong Listing Rules, together with the notice of the extraordinary general meeting is expected to be despatched to the Shareholders on or before 27 May 2025.

**Shareholders and potential investors should note that the completions of the Acquisition and the Subscription are subject to, among other things, approval from the Shareholders and relevant regulatory authorities. Therefore, the Acquisition and/or the Subscription may or may not proceed. Shareholders and potential investors are therefore advised to exercise caution when dealing in the securities of the Company.**

## **INTRODUCTION**

The Board is pleased to announce that on 6 May 2025, the Company entered into the Share Transfer Agreement and the Voting Rights Waiver Agreement with the Vendor, pursuant to which the Company has conditionally agreed to acquire, and the Vendor has conditionally agreed to sell 87,620,380 A shares of the Target Company, representing 11.00% of the total issued share capital of the Target Company as at the date of this announcement. The price of the Target Shares for the Acquisition is RMB5.83 per Target Share. The aggregate consideration for the Acquisition shall be RMB510,826,815.40. Concurrently, the Vendor has agreed to give up its voting rights attached to a portion of shares held by him in the Target Company, totaling 155,725,311 A shares, during the Waiver Period, representing 19.55% of the total issued share capital of the Target Company as at the date of this announcement. Immediately after the completion of the Acquisition and the voting rights waiver, and the adjustment to the composition of the board of directors of the Target Company as stipulated in the Share Transfer Agreement, the Target Company will become a subsidiary of the Company, and the financial results of the Target Company will be consolidated into the Company's consolidated financial statements. The Acquisition and the voting rights waiver constitute an indivisible whole and are not conditional upon the Subscription.

On 6 May 2025, the Company entered into the Placement Subscription Agreement with the Target Company, pursuant to which the Company has conditionally agreed to subscribe for, and the Target Company has conditionally agreed to allot and issue to the Company, up to 119,482,337 Placement A Shares at the subscription price of RMB5.63 per Placement A Share. The total amount of the Subscription shall not exceed RMB672,685,557.31. Immediately following completion of the Acquisition and the Subscription, and assuming no further changes in the share capital of the Target Company, it is expected that the Company will hold an aggregate of approximately 22.61% of the issued shares of the Target Company. The Subscription is subject to and conditional upon the implementation of the Acquisition and the voting rights waiver.

### **I. PRINCIPAL TERMS OF THE SHARE TRANSFER AGREEMENT**

#### **1. Date**

6 May 2025

#### **2. Parties**

(i) the Company as the Purchaser; and

(ii) Mr. Li Hongqing as the Vendor.

(collectively as the "Parties", each individually as a "Party")

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Vendor is an Independent Third Party as at the date of this announcement.

### **3. Target Shares**

The issued shares of the Target Company are A shares listed on the Shenzhen Stock Exchange. In the Acquisition, the Vendor will transfer 87,620,380 A shares of the Target Company to the Company, representing 11.00% of the total share capital of the Target Company as at the date of this announcement.

During the period from the date of this Share Transfer Agreement to the date of the completion of the transfer of the Target Shares, in the event of any ex-rights event in the Target Company, such as bonus issue, conversion of capital reserves into share capital, rights issue, the number of Target Shares to be transferred and the price of the Target Shares will be adjusted in accordance with the applicable laws and regulations. The proportion of the Target Shares will remain unchanged.

### **4. Consideration and Payment**

The Company agrees to acquire 87,620,380 A shares of the Target Company, representing 11.00% of the total issued share capital of the Target Company as at the date of this announcement, at an aggregate cash consideration of RMB510,826,815.40. The total consideration is the total amount equal to the per share price for Target Shares multiplied by the number of 87,620,380 Target Shares.

The price of the Target Shares for the Acquisition is RMB5.83 per Target Share, which was determined after arm's length negotiations between the Company and the Vendor on normal commercial terms, with reference to (i) the current and historical trading prices of the shares of the Target Company as quoted on the Shenzhen Stock Exchange; (ii) the secondary market share prices and market capitalisations of comparable listed companies; and (iii) the relevant PRC statutory requirements in respect of the transfer price of the Target Shares, i.e. the price of the Target Shares for the Acquisition shall not be lower than 80% of the closing price of the Target Shares on the last trading day preceding the date of the Share Transfer Agreement. For illustrative purposes only, the closing price of the Target Shares as of the last trading day immediately preceding the date of the Share Transfer Agreement (24 April 2025) as quoted on the Shenzhen Stock Exchange is RMB7.28 per share. The price of the Target Shares for the Acquisition is RMB5.83 per Target Share, which is approximately 80% of the closing price of the Target Shares on 24 April 2025. Please refer to the section headed "Reasons for and Benefits of the Acquisition and the Subscription" of this announcement for other considerations as mentioned above in determining the price.

The total consideration of RMB510,826,815.40 for the Acquisition shall be funded by internal resources of the Group.

The consideration for the Acquisition shall be settled by the Company in cash in two installments as follows:

- (1) Payment of the first installment: 50% of the consideration for the Acquisition, being RMB255,413,407.70, shall be paid by the Company to the Vendor within ten (10) Business Days from the date when the Conditions Precedent as set out in the Share Transfer Agreement are satisfied and the compliance confirmation is obtained from the SZSE.

- (2) Payment of the remaining installment: the remaining portion of the consideration for the Acquisition shall be paid by the Company to the Vendor upon the completion of the transfer of the Target Shares to the Company and within ten (10) Business Days from the date of payment of the Performance Guarantee by the Vendor.

## **5. Effectiveness Conditions**

The Share Transfer Agreement shall become effective upon satisfaction with all the following conditions:

- (1) The Company has completed the internal decision-making procedures for the Acquisition;
- (2) The decision or consent for the Acquisition has been obtained from the State Administration for Market Regulation regarding the anti-monopoly reviews of business concentration, indicating that no further review will be implemented or that the Acquisition will not be prohibited; and
- (3) The Acquisition has been approved by the securities regulatory authorities such as the Stock Exchange (if necessary).

## **6. Conditions Precedent**

The Acquisition shall be implemented subject to the fulfillment (or waiver in writing by the Company) of all the following conditions precedent:

- (1) All conditions for effectiveness under the Share Transfer Agreement have been satisfied;
- (2) All representations and warranties made by the Vendor in the Share Transfer Agreement regarding the Vendor, the Target Company, and its wholly-owned/controlled subsidiaries (collectively, the “**Target Company and its Subsidiaries**”) prior to the Acquisition are legally valid, true, accurate, and not misleading, and all covenants and agreements to be complied with or performed by the Vendor under the Share Transfer Agreement have been duly complied with or performed in all material respects;
- (3) The ownership of Target Shares is clear and free from any encumbrances, including mortgages, pledges, liens, or other third-party rights. Furthermore, there are no legal impediments or disputes, such as restrictions on sale, claims, judicial freezes, escrow arrangements, or any other legal impediments or disputes that would restrict or prohibit the Acquisition, and there are no obstacles to the transfer of the Target Shares;
- (4) The business operations of the Target Company and its Subsidiaries are being conducted in the ordinary course, and no material adverse change has occurred in their financial condition, assets, or business that would materially affect its normal operations;
- (5) There is no effective injunction or similar order prohibiting or restricting any Party from completing the Acquisition, or all required approvals under such legal restraints have been obtained or waived; and

- (6) The Company has completed its financial, legal, and other due diligence on the Target Company and its Subsidiaries, and the results thereof are not materially inconsistent with the information disclosed by the Target Company or the Vendor to the Company, nor do they reveal any matter that would materially adversely affect the Acquisition; provided, however, that if the Vendor has fully cooperated with the due diligence, and due to reasons attributable to the Company, the due diligence is not completed within 12 months following the signing of the Acquisition, and the Parties are unable to agree on an extension, this condition shall no longer be applicable.

The Parties shall make their best efforts to ensure that all conditions precedent to the Acquisition are satisfied within 12 months following the signing of the Share Transfer Agreement. If the conditions precedent fail to be met within the aforementioned period due to force majeure, changes in laws and regulations, internal decisions of the Parties, or review by relevant regulatory authorities of the Acquisition, which are not attributable to the Vendor or the Company, the Parties shall negotiate an extension. If the Parties are unable to agree on an extension, or if the conditions for the Acquisition remain unsatisfied after such extension due to the aforementioned reasons, the Acquisition shall be terminated with Parties being restored to their pre-transaction positions, and neither Party shall bear any liability to the other. However, if due to subjective reasons attributable to either Party, the aforementioned conditions precedent are not satisfied within 12 months following the signing of the Share Transfer Agreement, the non-breaching Party shall have the right to terminate the Share Transfer Agreement and the breaching Party shall be obligated to pay liquidated damages to the non-breaching Party.

## **7. Attribution of Profits**

The Parties agree that the Vendor shall be entitled to the cash dividends attributable to the Target Shares under the 2024 profit distribution plan of the Target Company. If the Target Company implements the 2024 dividend distribution after the completion of the transfer of the Target Shares, the Company shall pay the dividends for the year 2024 to the account designated by the Vendor within ten (10) Business Days after receipt of such dividends. Except for the profits distributed by the Target Company for the year 2024, the accumulated profits of the Target Company shall be attributable to all shareholders after the completion of the transfer of the Target Shares.

## **8. Performance Guarantee Undertaking**

The Vendor shall deposit RMB80 million as performance guarantee into the account designated by the Company (the “**Performance Guarantee**”) within five (5) Business Days upon the Vendor having received the first instalment of the consideration for the Acquisition. The Performance Guarantee is to guarantee the due performance by the Vendor of his obligations relating to contingent events, representations and warranties, voting rights waiver, and default events (collectively referred to as “**Compensation Events**”) under the Share Transfer Agreement and the Voting Rights Waiver Agreement with a performance guarantee period of sixty (60) months from the effective date of the Share Transfer Agreement.



The Performance Guarantee shall be returned to the Vendor within ten (10) Business Days following the expiration of the guarantee period if no Compensation Events occur during the guarantee period. In the event that any Compensation Events arise during the guarantee period, the Performance Guarantee shall be directly applied to offset such matters. Any remaining amount not subject to compensation or indemnification shall be returned within ten (10) Business Days following the expiration of the guarantee period.

## **9. Completion**

The Acquisition shall be deemed to be completed on the date when the transfer registration of the Target Shares is completed.

## **10. Termination or Rescission**

The Share Transfer Agreement shall be terminated or rescinded under any of the following circumstances:

- (1) The Share Transfer Agreement becomes impossible to perform due to force majeure and is terminated upon written confirmation by the Parties;
- (2) The Parties mutually agree to terminate the Share Transfer Agreement;
- (3) A Party to the Share Transfer Agreement is entitled to rescind the Share Transfer Agreement as stipulated therein;
- (4) If the Acquisition fails to obtain any required regulatory approval, either Party shall have the right to terminate the Share Transfer Agreement, unless otherwise agreed by the Parties; or
- (5) Other termination or rescission events as stipulated in the Share Transfer Agreement.

The termination or rescission of the Share Transfer Agreement shall not affect the Party's right to claim against the breaching Party for liability for breach of contract.

## **11. Others**

The Vendor undertakes to procure that the Target Company completes the re-election of its board of directors and supervisory committee within thirty (30) Business Days after the transfer registration of the Target Shares. The re-elected board of directors of the Target Company will consist of five directors, including three non-independent directors and two independent directors, and all director candidates shall be nominated by the Company. The Vendor shall support the candidate(s) nominated by the Company and provide assistance to promote their successful election. The re-elected supervisory committee of the Target Company will consist of three supervisors, including one employee representative supervisor. The Company has the right to nominate two non-employee representative supervisor candidates. The chairman of the supervisory committee shall be a supervisor nominated by the Company. Both Parties shall procure that the supervisor nominated by the Company is elected as the chairman of the supervisory committee at the meeting of the supervisory committee.

The Vendor undertakes that if the Target Company's consolidated net profits attributable to the owners of the Target Company (as recorded in the annual audit report) fall below RMB178 million for 2025 and RMB195 million for 2026, respectively, the Vendor shall compensate the Purchaser. The specific compensation amount is calculated according to the following formula: Compensation Amount for the Year = Acquisition Consideration × (Committed Net Profits Attributable to the Parent Company for the Year – Actual Net Profits Attributable to the Parent Company for the Year)/Committed Net Profits Attributable to the Parent Company for the Year. The compensation paid shall not be refunded, and no additional reward will be granted if actual profits exceed the amounts committed. The aforementioned compensation is capped at RMB80 million. The aforesaid compensation shall be completed within 30 days following the issuance of the annual audit reports of the Target Company for the years 2025 and 2026, respectively.

## **PRINCIPAL TERMS OF THE VOTING RIGHTS WAIVER AGREEMENT**

Pursuant to the Voting Rights Waiver Agreement entered into between the Company and the Vendor, the Vendor has agreed to give up its voting rights attached to a portion of shares (the "**Waived Shares**") held by him in the Target Company, totaling 155,725,311 A shares, within a period of 60 months (the "**Waiver Period**") from the date (inclusive) on which the transfer of the Target Shares is registered in the name of the Company and all the payment for the transfer of the Target Shares has been made as stipulated in the Share Transfer Agreement. The Waived Shares shall not be counted as valid voting rights at the general meetings of the Target Company.

During the Waiver Period, the Vendor may increase its shareholding in the Target Company with the Company's prior written consent. In the event of any increase or decrease in the Vendor's shareholding quantity or percentage, including but not limited to those due to the Target Company's equity incentives, bonus issue, conversion of capital reserves into share capital, share sub-division, rights issue, secondary market transactions, agreement transfer, block trade or any other reasons, the number of Waived Shares shall be adjusted accordingly. The undertaking made by The Vendor to give up voting rights shall automatically apply to the adjusted shares to ensure that, after the Vendor gives up its voting rights, its shareholding with voting rights remains lower than that of the Company, and the difference between the Parties' shareholdings with voting rights remains above 5%. The Vendor further undertakes that during the Waiver Period, it shall cooperate with the Company to strengthen the Company's control over the Target Company, and shall not seek to obtain actual control of the Target Company through proxy voting, solicitation of voting rights, contractual arrangements, or any other means, whether acting alone or in concert with other shareholders.

## **II. PRINCIPAL TERMS OF THE PLACEMENT SUBSCRIPTION AGREEMENT**

### **1. Date**

6 May 2025

### **2. Parties**

- (i) the Company as the subscriber; and
- (ii) the Target Company as the issuer.



To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the issuer and its ultimate beneficial owners are Independent Third Parties as at the date of this announcement.

### **3. Subscription of New Shares**

Subject to the terms and conditions of the Placement Subscription Agreement, the Company has agreed to subscribe for, and the Target Company has agreed to allot and issue to the Company up to 119,482,337 Placement A Shares at the subscription price. The final number of Placement A Shares shall be subject to the review by the SZSE and the registration approval for issuance by the CSRC.

The total number of Placement A Shares shall be subject to adjustment in the event of changes in regulatory policies or requirements in the registration approval for issuance. If there are ex-rights and ex-dividend events such as payment of dividends, bonus issue, rights issue and conversion of capital reserves into share capital etc. in relation to the Target Company during the period between the pricing benchmark date and the issuance date, resulting in an adjustment to the subscription price, the number of the subscription shares subscribed by the Company in this issuance will be adjusted accordingly.

### **4. Subscription Price**

Pursuant to the applicable PRC laws and regulations, the price for the Subscription shall not be lower than 80% of the average trading price of the Target Company's shares for the 20 trading days prior to the pricing benchmark date (excluding the pricing benchmark date, the average share trading price for the 20 trading days prior to the pricing benchmark date = total amount of share transaction for the 20 trading days prior to the pricing benchmark date/total volume of share transactions for the 20 trading days prior to the pricing benchmark date). The pricing benchmark date for this issuance is 6 May 2025. Accordingly, the price per subscription Share was determined at RMB5.63, representing 80% of the average trading price of the Target Company's shares for the 20 consecutive trading days prior to the pricing benchmark date. The total amount of the Subscription shall not exceed RMB672,685,557.31. If there are ex-rights and ex-dividend events such as payment of dividends, bonus issue, and conversion of capital reserves into share capital etc. in relation to the Target Company during the period between the pricing benchmark date and the issuance date, the price for the Subscription shall be adjusted accordingly in accordance with the applicable laws and regulation and the Placement Subscription Agreement.

### **5. Payment Method**

The total subscription price of up to RMB672,685,557.31 will be paid in cash by the Company. The subscription price will be funded by the internal resources of the Group.

### **6. Lock-up Period**

The Placement A Shares subscribed by the Company shall not be transferred within 18 months from the date of issuance completion. Any additional A shares of the Target Company acquired by the Company as a result of certain circumstances such as payment of dividends or conversion of capital reserves into share capital shall also be subject to the aforementioned lock-up period. The lock-up period shall be adjusted in accordance with the requirements of the CSRC and SZSE.

## **7. Effectiveness Conditions**

The Placement Subscription Agreement shall become effective upon satisfaction with all the following conditions:

- (1) the Subscription has been approved by the board of directors and shareholders' meeting of the Target Company;
- (2) the Company has completed the internal decision-making procedures in respect of the Subscription;
- (3) the Subscription is reviewed and approved by the SZSE;
- (4) the approval from the CSRC regarding the registration for the Subscription is obtained; and
- (5) the Subscription has been approved by the securities regulatory authorities such as the Stock Exchange (if necessary).

## **8. Completion**

After the Company completes the payment of the subscription price in accordance with the terms of the Placement Subscription Agreement, the Target Company shall promptly complete all required industrial and commercial registration changes and the listing registration procedures for the newly issued shares in relation to the Subscription.

The accumulated undistributed profits of the Target Company prior to the date of the issuance of Placement A Shares shall be shared by all shareholders (both existing and new) of the Target Company in proportion to their respective shareholding percentages after the issuance.

## **9. Termination**

The Placement Subscription Agreement shall terminate as of the date of occurrence of any of the following events:

- (1) the conditions precedent to the effectiveness of the Placement Subscription Agreement as stipulated therein are not satisfied, rendering the Placement Subscription Agreement unable to take effect or be performed;
- (2) a force majeure event occurs during the performance of the Placement Subscription Agreement, and either Party decides to terminate the Placement Subscription Agreement in accordance with the force majeure provisions therein;

- (3) the Company and the Target Company mutually agree in writing to terminate the Placement Subscription Agreement; or
- (4) any other circumstances under which the Placement Subscription Agreement shall be terminated in accordance with applicable laws and regulations.

### **III. FINANCIAL IMPACTS OF THE ACQUISITION AND THE SUBSCRIPTION ON THE GROUP**

Upon the completion of the Acquisition, the Company will hold approximately 11.00% of the equity interest in the Target Company. After the adjustment to the composition of the board of directors of the Target Company, the board of directors of the Target Company will consist of five directors, all of whom shall be nominated by the Company. Therefore, immediately after the completion of the Acquisition, the voting rights waiver, and the adjustment to the composition of the board of directors of the Target Company as stipulated in the Share Transfer Agreement, the Company will have all directorships on the board of directors of the Target Company and will be able to exercise substantial influence on the passing of resolutions of the board of directors of the Target Company. The Target Company is deemed as a subsidiary of the Company and the financial results of the Target Company will be consolidated into the consolidated financial statements of the Group.

Following the completion of the Subscription, the Company's shareholding in the Target Company will further increase. Assuming no further changes to the Target Company's issued share capital, upon completion of the Acquisition and the Subscription, the Company will hold approximately 22.61% equity interest in the Target Company.

### **IV. INFORMATION OF THE PARTIES**

#### **Information about the Company**

CALB Group Co., Ltd., a joint stock limited company incorporated in Changzhou City, Jiangsu Province under the laws of the PRC, was listed on the Stock Exchange on 6 October 2022 (stock code: 3931). The Group is a high-technology new energy enterprise specializing in development, manufacturing, sales and market application development of lithium batteries, battery management system and related integrated products, and lithium battery materials. As a specialist in the battery technology, the Group is committed to building a comprehensive energy operation system to provide complete product solutions and full life-cycle management for the all-scenario application market of new energy represented by EV batteries and ESS products.

## Information about the Vendor

Mr. Li Hongqing, who holds approximately 36.55% of the issued shares of the Target Company as of the date of this announcement, is the de facto controller of the Target Company. To the best of the knowledge, information and belief of the Directors of the Company, having made all reasonable enquiries, Mr. Li Hongqing is a third party independent of the Company and its connected persons.

## Information on the Target Company

The Target Company is a joint stock limited company incorporated in the PRC, and was listed on the ChiNext of the Shenzhen Stock Exchange (stock code: 300507). The Target Company operates in the automotive parts and accessories manufacturing industry, specifically in the automotive core electronics sector. The Target Company has long been deeply committed to the automotive parts industry, consistently focusing on providing high-quality component products and services to automobile manufacturers. Its core products include sensors and accessories, fuel system components, automotive interior trim parts, and continuously evolving new energy vehicle components. In addition, Bonaire Automotive Electrical Systems Co., Ltd.\* (博耐爾汽車電氣系統有限公司), a subsidiary of the Target Company, primarily engages in the production of automotive thermal management system components, which are widely used in automotive air conditioning, engines and motors, batteries, and electronic control modules. The Target Company and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

The following financial information has been extracted from the annual reports of the Target Company for the two financial years ended 31 December 2024 and 31 December 2023 (prepared in accordance with the China Accounting Standards for Business Enterprises):

	<b>For the year ended 31 December</b>	
	<b>2023</b>	<b>2024</b>
	<b>(Audited)</b>	<b>(Audited)</b>
	<b>RMB'000</b>	<b>RMB'000</b>
Net profit before tax	181,200.08	<b>202,549.09</b>
Net profit after tax	164,438.03	<b>183,829.52</b>

According to the 2023 annual report and the 2024 annual report of the Target Company, as of 31 December 2023 and 31 December 2024, the total assets of the Target Company are approximately RMB2,872.09 million (audited) and RMB4,103.53 million (audited), respectively, and the net assets are approximately RMB2,085.29 million (audited) and RMB2,394.70 million (audited), respectively.

## V. REASONS FOR AND BENEFITS OF THE ACQUISITION AND THE SUBSCRIPTION

Based on the Group's confidence in the intrinsic value of the principal business of the Target Company and its future development prospects, the Group intends to obtain control of the Target Company through the Acquisition. The Acquisition and the Subscription are conducive to the implementation of the Group's development strategy. The Group will fully leverage its resources and advantages in new energy and automobile industry chain to empower the business development of the Target Company, further enhancing the value of the Group and the Target Company.

The Directors of the Company (including all independent non-executive Directors) consider that the transaction terms involved in the Acquisition and the Subscription are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

## VI. HONG KONG LISTING RULES IMPLICATIONS

Each of the Acquisition and the Subscription constitutes a notifiable transaction under Chapter 14 of the Hong Kong Listing Rules. Pursuant to Rules 14.22 and 14.23 of the Hong Kong Listing Rules, the highest applicable percentage ratios for the Acquisition and the Subscription on an aggregated basis exceed 25% but are lower than 100%. Therefore, pursuant to Chapter 14 of the Hong Kong Listing Rules, the Acquisition and the Subscription constitute a major transaction of the Company and are subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Hong Kong Listing Rules.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, none of the Shareholders or any of their close associates has a material interest in the Acquisition and the Subscription. Accordingly, no Shareholders are required to abstain from voting on the relevant resolutions to be proposed at the general meeting to approve each of the transactions contemplated under the Acquisition and the Subscription.

## VII. GENERAL

An extraordinary general meeting will be convened by the Company for the Shareholders to consider and, if thought fit, approve, among other things, the Acquisition and the Subscription and the agreements relating thereto. As additional time is required for the preparation of the relevant information to be included in the circular, a circular containing, among other things, details of the Acquisition and the Subscription and such other information as is required to be disclosed pursuant to the requirements of the Hong Kong Listing Rules, together with the notice of the extraordinary general meeting is expected to be despatched to the Shareholders on or before 27 May 2025.

**Shareholders and potential investors should note that the completions of the Acquisition and the Subscription are subject to, among other things, approval from the Shareholders and relevant regulatory authorities. Therefore, the Acquisition and/or the Subscription may or may not proceed. Shareholders and potential investors are therefore advised to exercise caution when dealing in the securities of the Company.**

## DEFINITIONS

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

“Acquisition”	the proposed acquisition of 87,620,380 A shares of the Target Company by the Company from the Vendor pursuant to the Share Transfer Agreement
“Board”	the board of directors of the Company
“Business Days”	days other than Saturday, Sunday or public holiday in China
“Company”, “the Purchaser” or “the Subscriber”	CALB Group Co., Ltd. (中創新航科技集團股份有限公司), H Shares of which are listed on the Stock Exchange with stock code of 3931
“CSRC”	China Securities Regulatory Commission
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“H Share(s)”	the overseas listed foreign share(s) in the share capital of the Company with nominal value of RMB1.00 each, which are traded in Hong Kong dollars and listed on the Main Board of the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Independent Third Party(ies)”	any entity(ies) or person(s) who, to the best of the knowledge, information and belief of the Directors, is/are not a connected person(s) of the Company (as defined under the Hong Kong Listing Rules)
“Placement A Shares”	the new A shares to be allotted and issued by the Target Company to the Company pursuant to the Placement Subscription Agreement, being ordinary shares (A shares) with a par value of RMB1.00 per share
“Placement Subscription Agreement”	the conditional share placement subscription agreement entered into between the Company and the Target Company on 6 May 2025
“PRC” or “China”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Share Transfer Agreement”	the share transfer agreement entered into between the Company and the Vendor on 6 May 2025



“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the same meaning ascribed to it under the Listing Rules
“Subscription”	the proposed subscription by the Company of up to 119,482,337 new A shares to be allotted and issued by the Target Company to the Company pursuant to the Placement Subscription Agreement
“SZSE”	Shenzhen Stock Exchange
“Target Company” or “issuer”	Jiangsu Olive Sensors High-tech Corporation Limited* (江蘇奧力威傳感高科股份有限公司), a joint stock company incorporated and duly established under the laws of China, and is listed on the ChiNext of the Shenzhen Stock Exchange (stock code: 300507)
“Target Shares”	the A shares of the Target Company to be transferred by the Vendor to the Company pursuant to the Share Transfer Agreement
“Vendor”	Mr. Li Hongqing, the de facto controller of the Target Company
“Voting Rights Waiver Agreement”	the Voting Rights Waiver Agreement entered into between the Company and the Vendor on 6 May 2025
“%”	percent

*In this announcement: (i) all figures have been rounded to the nearest two decimal places; (ii) certain amounts and percentage figures included in this announcement have been subject to rounding adjustments, and all percentages stated in this announcement are approximations; and (iii) for the avoidance of doubt, references to “not less than” a figure and “not more than” a figure shall include the figure mentioned.*

\* For identification purpose only

By order of the Board  
**CALB Group Co., Ltd.**  
**Liu Jingyu**  
*Chairwoman of the Board, executive Director and  
general manager of the Company*

Changzhou, PRC  
6 May 2025

*As at the date of this announcement, the Board comprises Ms. Liu Jingyu and Mr. Dai Ying as executive Directors, Ms. Hu Jing, Mr. Li Jiancun and Ms. Xie Jieping as non-executive Directors, Mr. Wu Guangquan, Mr. Wang Susheng and Mr. Chen Zetong as independent non-executive Directors.*