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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)

REVISION OF ANNUAL CAPS FOR THE 2024 TO 2026 ENGINEERING AND CONSTRUCTION FRAMEWORK AGREEMENT

Reference is made to the announcement of the Company dated December 18, 2023 in relation to, among others, the 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) (the “**2024 to 2026 Engineering and Construction Framework Agreement**”), pursuant to which, Jiangsu Chengdong Construction and its subsidiaries will provide general contracting services of 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; and the announcement of the Company dated November 15, 2024 in relation to the Supplemental 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) to revise the annual caps for the continuing connected transactions under the 2024 to 2026 Engineering and Construction Framework Agreement.

On September 26, 2025, the Board agreed that the Company (for itself and on behalf of the Group) and Jiangsu Chengdong Construction (for itself and on behalf of its subsidiaries) entered into Supplemental Agreement II to revise the existing annual caps for the years ending December 31, 2025 and 2026 under the 2024 to 2026 Engineering and Construction Framework Agreement and the Supplemental Agreement. Except 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. 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 II constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio of the revised annual caps under the Supplemental Agreement II is expected to be 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 Chapter 14A of the Listing Rules.

Introduction

Reference is 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 (for itself and on behalf of the Group) and Jiangsu Chengdong Construction (for itself and on behalf of its subsidiaries), pursuant to which, Jiangsu Chengdong Construction and its subsidiaries will provide general contracting services of 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; and the announcement of the Company dated November 15, 2024 in relation to the Supplemental 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) to revise the annual caps for the continuing connected transactions under the 2024 to 2026 Engineering and Construction Framework Agreement.

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Historical amount and existing annual caps

For the two years ended December 31, 2023 and December 31, 2024 and the eight months ended August 31, 2025, 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 for the Group's certain industrial parks or buildings, were approximately RMB130.38 million, RMB383.34 million and RMB61.66 million, respectively.

For the three years ending December 31, 2024, December 31, 2025, and December 31, 2026, the existing annual caps (excluding tax) for the fees to be incurred by the Group under the Supplemental Agreement to the 2024 to 2026 Engineering and Construction Framework Agreement are RMB400 million, RMB70 million and RMB70 million, respectively. Details are set out in the Company's announcement dated November 15, 2024.

Revised Annual Caps

In accordance with the Supplemental Agreement II, the revised annual 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 for the Group's certain industrial parks or buildings, are set out below:

	For the year ending December 31,	
	2025	2026
	<i>(RMB in million)</i>	<i>(RMB in million)</i>
The revised annual caps for the fees (excluding tax) to be incurred by the Group under the Supplemental Agreement II	250	460

The Basis for Determining the Revised Annual Caps

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

- (1) For the eight months ended August 31, 2025, 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 for the Group's certain industrial parks or buildings were approximately RMB61.66 million, representing a utilization rate exceeding 88.1% of the existing annual cap for the financial year ending December 31, 2025;
- (2) Due to the rapid growth across all business sectors of the Group and taking into account market demand, the Group will commence the construction of certain production lines during the period of 2025 to 2026 in an orderly manner;
- (3) The Group plans to elect contractors by way of public tendering or invitation to tender in the relevant construction projects. Such qualified contractors, including Jiangsu Chengdong Construction and its subsidiaries, may from time to time participate in the bidding process for the Group's construction projects pursuant to the Group's tendering procedures and under the identical and general terms offered to other independent third parties. However, the outcome of the tender is unpredictable, and Jiangsu Chengdong Construction and its subsidiaries may or may not be awarded the contract for the relevant projects. When Jiangsu Chengdong Construction and its subsidiaries are granted any contract through the tendering process, it will provide engineering and construction services to the Group based on the terms of the awarded contract. Nevertheless, the maximum aggregate contract amount that the Group may grant to Jiangsu Chengdong Construction shall not exceed the revised annual caps;

- (4) When determining the above annual caps, the Group assumes that Jiangsu Chengdong Construction and its subsidiaries win the bid for the projects they participate in, mainly based on the following considerations. However, such assumptions do not guarantee that Jiangsu Chengdong Construction and its subsidiaries will win the bid. They are made solely to ensure that the annual caps have sufficient flexibility, thus avoiding business development delay caused by underestimate;
- **Individual projects involve large amounts and have significant impact:** among the Group's currently known and planned production line construction projects, individual project has a large investment amount, which is expected to represent a great proportion of the revised annual caps. Therefore, whether Jiangsu Chengdong Construction and its subsidiaries win the bids will directly determine whether the transaction amounts will approach or exceed the original annual caps. If the estimation is based solely on the historical bid-winning proportion or amounts of certain projects, the future transaction amount may be seriously underestimated, resulting in insufficient annual caps.
 - **Avoid frequent revisions of annual caps:** according to relevant Chinese bidding rules and regulations, the processing time from the issuance of the winning bid notice to the execution of the relevant construction agreement shall be within 30 days. However, the revised annual caps require necessary procedures such as board approval and independent shareholder approval (if applicable) to ensure compliance with applicable rules. It is estimated that the time required to revise the annual cap will exceed 30 days. Therefore, if the annual cap is revised after Jiangsu Chengdong Construction or its subsidiaries win the bid, it will be unable to enter the agreement in a timely manner, which will affect project progress and business development.
- (5) The contract amount payable by the Group to Jiangsu Chengdong Construction and its subsidiaries shall be determined in accordance with the payment terms specified in the tender documents for specific production line, project management, project consultancy, project design, and/or building materials supply contracts.

Reasons for and benefits of entering into the Supplemental Agreement II 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 expansion plan, which will have a positive impact on the future performance of the Group.

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 II are in the interests of the Company and Shareholders as a whole.

OPINION OF THE BOARD

The Directors (including the independent non-executive Directors) are of the view that the Supplemental Agreement II 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 the revised annual caps for the Supplemental Agreement II and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and Shareholders as a whole.

Ms. Hu Jing and Mr. Li Jiancun, as non-executive Directors, hold important positions in Jintan Holding and its close associates. They have therefore abstained from voting on the relevant Board resolution approving the Supplemental Agreement II 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.

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) the Company will set up bidding management committee, which will adopt a method of public tendering or invitation to tender based on the specific project requirements. It will issue bidding announcements or tender invitations to solicit bids from qualified suppliers. In accordance with the principles of openness, fairness, cost-effectiveness, security assurance, and timely supply, the evaluation of bids is conducted through either the lowest bid price method or a comprehensive evaluation method to determine the specific supplier;
 - (ii) a minimum of three contractors shall participate in the bidding process, and bidding process will be conducted in compliance with applicable local regulations; and
 - (iii) the Company will review the proposed price to ensure it is consistent with the pricing terms under 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 entering into the Supplemental Agreement II, the materially interested Directors shall abstain from voting on the resolutions to approve such transactions at Board meetings.

INFORMATION RELATING TO PARTIES

The Group

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

Jiangsu Chengdong Construction

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 enquiries, the ultimate beneficial owner of Jiangsu Chengdong Construction is the People's Government of Jintan District, Changzhou.

LISTING RULES IMPLICATIONS

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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 and 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), the H Shares of which are listed on the Stock Exchange (stock code: 3931)
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“H Share(s)”	overseas listed foreign shares in the share capital of the Company with a nominal value of RMB1.00 each, traded in Hong Kong dollars and listed on the Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	entity(ies) or individual(s) that, to the best knowledge, information and belief of the Directors, is/are not (a) connected person(s) of the Company within the meaning of the Hong Kong 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
“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
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each
“Shareholder(s)”	shareholders 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
“Supplemental Agreement”	a supplemental agreement dated November 20, 2024 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
“Supplemental Agreement II”	the supplemental agreement II to the 2024 to 2026 Engineering and Construction Framework Agreement proposed to be 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 (if there are any differences between the terms of the Supplemental Agreement II as stated in this announcement and the contents of the agreement formally signed up, the relevant adjustments will be separately announced and illustrated)
“%”	per cent

By order of the Board
CALB Group Co., Ltd.
Liu Jingyu
Chairwoman of the Board,
executive Director and General Manager

Changzhou, PRC
September 26, 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.