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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  
2025 SALES FRAMEWORK AGREEMENT AND  
2025 ENTRUSTED PROCESSING FRAMEWORK AGREEMENT  
AND  
RENEWAL OF CONTINUING CONNECTED TRANSACTIONS**

References are made to the announcement of the Company dated 15 November 2024 and the circular dated 9 December 2024 in relation to, among others, the 2025 Sales Framework Agreement and the 2025 Entrusted Processing Framework Agreement entered into between the Company and Luoyang Company. The Company estimates that the existing annual caps under these agreements will not be sufficient to satisfy the demand of relevant business development needs. Furthermore, as both the 2025 Sales Framework Agreement and the 2025 Entrusted Processing Framework Agreement will expire on 31 December 2025, the Company expects such transactions to continue thereafter.

On 12 November 2025, the Board agreed to enter into (i) the Supplemental Agreement to 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) to revise the annual cap under the 2025 Sales Framework Agreement, and (ii) the Supplemental Agreement to 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) to revise the annual cap under the 2025 Entrusted Processing Framework Agreement. Save for the revision of the annual caps, the other principal terms of the 2025 Sales Framework Agreement and the 2025 Entrusted Processing Framework Agreement remain unchanged.

On 12 November 2025, the Board agreed to enter into (i) the sales framework agreement (the **"2026 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 **"2026 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, both for a term of one year commencing from 1 January 2026 to 31 December 2026.

The Supplemental Agreement to the 2025 Entrusted Processing Framework Agreement, the 2026 Sales Framework Agreement and the 2026 Entrusted Processing Framework Agreement have not been executed yet as at the date of this announcement and are still subject to the approval from the independent Shareholders at the EGM. The Company will make an announcement in due course in accordance with the requirements under the Listing Rules.

## **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 owned as to 49% by Jinhang Holding and 51% by Jincheng Technology, respectively, and Jincheng Technology is wholly owned by Jintan Holding. Thus, Luoyang Company is an associate of Jintan Holding and hence a connected person of the Company. Therefore, the transactions contemplated under the Supplemental Agreement to the 2025 Sales Framework Agreement, the Supplemental Agreement to the 2025 Entrusted Processing Framework Agreement, the 2026 Sales Framework Agreement and the 2026 Entrusted Processing Framework Agreement will constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules, respectively.

As the highest applicable percentage ratio of the revised annual cap under the Supplemental Agreement to 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 independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

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

As the highest applicable percentage ratio of the annual cap under the 2026 Sales Framework Agreement is more than 5%, the transactions contemplated thereunder are therefore subject to the reporting, announcement, annual review and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio of the annual cap under the 2026 Entrusted Processing Framework Agreement is more than 5%, the transactions contemplated thereunder are therefore subject to the reporting, announcement, annual review and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **Independent Board Committee and Independent Financial Adviser**

The Independent Board Committee (comprising Dr Wang Susheng, Dr Chen Zetong and Dr Xiao Wen, all of whom are independent non-executive Directors) has been formed to provide recommendations to the independent Shareholders in respect of the Supplemental Agreement to the 2025 Entrusted Processing Framework Agreement, the 2026 Sales Framework Agreement and the 2026 Entrusted Processing Framework Agreement, and the continuing connected transactions contemplated thereunder. Its advice and recommendations will be set out in the circular to be despatched by the Company.

In addition, Somerley Capital will be appointed as the Independent Financial Adviser to advise the Independent Board Committee and the independent Shareholders in respect of: (i) the Supplemental Agreement to the 2025 Entrusted Processing Framework Agreement and the transactions contemplated thereunder (including the revised annual cap thereto); (ii) the 2026 Sales Framework Agreement and the transactions contemplated thereunder (including the proposed annual cap); and (iii) the 2026 Entrusted Processing Framework Agreement and the transactions contemplated thereunder (including the proposed annual cap).

### **Despatch of Circular**

A circular containing, among other things, (i) details of the transactions contemplated under the Supplemental Agreement to the 2025 Entrusted Processing Framework Agreement, the 2026 Sales Framework Agreement and the 2026 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 the independent Shareholders, is expected to be published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.calb-tech.com](http://www.calb-tech.com)) by no later than 3 December 2025, and will be despatched to the 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.

References are made to the announcement of the Company dated 15 November 2024 and the circular dated 9 December 2024 in relation to, among others, the 2025 Sales Framework Agreement and the 2025 Entrusted Processing Framework Agreement entered into between the Company and Luoyang Company. The Company estimates that the existing annual caps under these agreements will not be sufficient to satisfy the demand of relevant business development needs. Furthermore, as both the 2025 Sales Framework Agreement and the 2025 Entrusted Processing Framework Agreement will expire on 31 December 2025, the Company expects such transactions to continue thereafter.

### **REVISION OF ANNUAL CAPS FOR THE 2025 SALES FRAMEWORK AGREEMENT AND 2025 ENTRUSTED PROCESSING FRAMEWORK AGREEMENT**

On 12 November 2025, the Board agreed to enter into (i) the Supplemental Agreement to 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) to revise the annual cap under the 2025 Sales Framework Agreement, and (ii) the Supplemental Agreement to 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) to revise the annual cap under the 2025 Entrusted Processing Framework Agreement. Save for the revision of the annual caps, the other principal terms of the 2025 Sales Framework Agreement and the 2025 Entrusted Processing Framework Agreement remain unchanged.

## **1. Revision of the Annual Cap for 2025 Sales Framework Agreement**

### ***Existing Annual Cap and Historical Amount***

In accordance with the 2025 Sales Framework Agreement, the maximum aggregate transaction amount to be generated 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 will not exceed RMB900 million for the year ending 31 December 2025.

For the nine months ended 30 September 2025, the total transaction amount generated 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 was approximately RMB805.44 million, with the utilization rate reaching approximately 89% of the existing annual cap.

### ***Revised Annual Cap and Basis for Determination***

In accordance with the Supplemental Agreement to the 2025 Sales Framework Agreement, the aggregate revised annual cap of total transaction amount to be generated 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 such Agreement will not exceed RMB1,360 million for the year ending 31 December 2025.

The above revised annual cap is determined based on the following factors: (i) the historical transaction amount of the sales of Lithium Batteries and related products by the Group to Luoyang Company and its associates for the nine months ended 30 September 2025; (ii) the increased demand of Lithium Batteries and related products from October to December 2025 as estimated and provided by Luoyang Company compared to the original expectations.

### ***Reasons for and Benefits of Entering into the Supplemental Agreement to the 2025 Sales Framework Agreement***

Due to the demand for Lithium Batteries and related products (including raw materials, semi-finished products, finished products) required for the production and operations of Luoyang Company and its associates has increased beyond original expectations in 2025, the existing annual cap as agreed under the 2025 Sales Framework Agreement is no longer sufficient to meet these requirements. The Board expects that the total transaction amount to be generated 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 for the year ending 31 December 2025 will exceed the existing annual cap amount under the 2025 Sales Framework Agreement. Based on the previous transactions, Luoyang Company has a thorough understanding of the Group's product range and product quality, and it is cost effective and mutually beneficial for both parties to continue the cooperation. The revision of the existing annual cap will help deepen the business cooperation between the Group and Luoyang Company, thereby enhancing the Group's revenue to be generated from the sales of Lithium Batteries and related products.

The Board believes that the revision of the annual cap under the 2025 Sales Framework Agreement and the entering into of the Supplemental Agreement to the 2025 Sales Framework Agreement are in the interests of the Company and the Shareholders as a whole.

## **2. Revision of the Annual Cap for 2025 Entrusted Processing Framework Agreement**

### ***Existing Annual Cap and Historical Amount***

In accordance with the 2025 Entrusted Processing Framework Agreement, the maximum aggregate fees to be incurred from processing service of Lithium Batteries provided by Luoyang Group to the Group will not exceed RMB3,000 million for the year ending 31 December 2025.

For the nine months ended 30 September 2025, the total service fees incurred from entrusted processing services provided by Luoyang Group to the Group under the 2025 Entrusted Processing Framework Agreement were approximately RMB2,274.45 million, with the utilization rate reaching approximately 76% of the existing annual cap.

### ***Revised Annual Cap and Basis for Determination***

In accordance with the Supplemental Agreement to the 2025 Entrusted Processing Framework Agreement, the aggregate revised annual cap for fees to be incurred from processing services provided by Luoyang Group to the Group under such agreement will not exceed RMB3,800 million for the year ending 31 December 2025.

The above revised annual cap is determined based on the following factors: (i) the historical service fees incurred from entrusted processing services provided by Luoyang Group for the nine months ended 30 September 2025; (ii) the significant increase by 68% year-on-year in the sales volume of EV batteries and ESS products of the Group for the nine months ended 30 September 2025. It is expected that the market demand for related products will continue to grow significantly from October to December 2025, and accordingly, the demand for entrusted processing business will rise to meet the delivery requirements.

### ***Reasons for and Benefits of Entering into the Supplemental Agreement to the 2025 Entrusted Processing Framework Agreement***

Due to a substantial increase in market demand for the Group's products, the demand for entrusted processing services of Lithium Batteries and related products entrusted by the Group to Luoyang Company has also risen accordingly. The Board expects that, for the year ending 31 December 2025, the fees to be incurred from processing services of Lithium Batteries entrusted by the Group to Luoyang Group will exceed the existing annual cap amount under the 2025 Entrusted Processing Framework Agreement. Based on the previous transactions, both the Group and Luoyang Company have a thorough understanding of each other's product and service quality, and cooperation model, and it is cost effective and mutually beneficial for both parties to leverage their respective strengths to engage in cooperation. The revision of the annual cap will enable the Group to leverage the mature and stable production line of Luoyang Company, which can ensure the stability of products of relevant models while allowing the Group to continuously provide customers with high-quality products, so as to further increase the Group's revenue and support its long-term business growth.

The Board believes that the revision of the annual cap under the 2025 Entrusted Processing Framework Agreement and the entering into of the Supplemental Agreement to the 2025 Entrusted Processing Framework Agreement are in the interests of the Company and the Shareholders as a whole.



## RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

On 12 November 2025, the Board agreed to enter into (i) the sales framework agreement (the “**2026 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 “**2026 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, both for a term of one year commencing from 1 January 2026 to 31 December 2026.

### 3. 2026 Sales Framework Agreement

Principal terms of the 2026 Sales Framework Agreement to be entered into are set out below:

<b>Parties</b>	(a) the Company (for itself and on behalf of the Group); and  (b) Luoyang Company (for itself and on behalf of its associates)
<b>Term of the agreement</b>	From 1 January 2026 to 31 December 2026
<b>Subject</b>	The Group will sell Lithium Batteries and related products (such as raw materials, semi-finished products, finished products) to Luoyang Company and its associates.
<b>Payment arrangement</b>	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.
<b>Conditions</b>	<p>The 2026 Sales Framework Agreement will take effect upon the fulfillment of the following conditions:</p> <p>The Company has complied with the relevant requirements of the Listing Rules in relation to the 2026 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 2026 Sales Framework Agreement.</p>

### ***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 nine months ended 30 September 2025, the total transaction amount generated 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 was approximately RMB805.44 million.

### ***Proposed Annual Cap and Basis for Determination***

It is estimated that the maximum aggregate transaction amount to be generated 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 2026 Sales Framework Agreement will not exceed RMB3,000 million for the year ending 31 December 2026.

The above proposed annual cap is determined based on the following factors: (i) the historical transaction amount of the sales of Lithium Batteries and related products by the Group to Luoyang Company and its associates for the nine months ended 30 September 2025; (ii) the demand of Lithium Batteries and related products in 2026 as estimated and provided by Luoyang Company; (iii) the expected selling prices of the Lithium Batteries and related products under the 2026 Sales Framework Agreement; and (iv) an approximate 5%-10% buffer set for price changes of related products and possible market changes.

### ***Reasons for and Benefits of Entering into the 2026 Sales Framework Agreement***

The Directors are of the view that the transactions under the 2026 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 and product quality, and it is cost effective and mutually beneficial for both parties to continue the cooperation.

#### 4. 2026 Entrusted Processing Framework Agreement

Principal terms of the 2026 Entrusted Processing Framework Agreement to be entered into are set out below:

<b>Parties</b>	(a) the Company (for itself and on behalf of the Group); and  (b) Luoyang Company (for itself and on behalf of Luoyang Group)
<b>Term of the agreement</b>	From 1 January 2026 to 31 December 2026
<b>Nature of transaction</b>	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.
<b>Terms of payment</b>	Details of the payment methods and other service arrangements will be separately agreed by the relevant parties.
<b>Quality control</b>	Luoyang Group has the obligation to conduct strict inspections of the processed finished goods according to the quality control standards requirements, and the Company will carry out re-inspections based on the quality situation.
<b>Licensing of patent</b>	The Company grants Luoyang Group the right to use certain specified patents of the Company (“ <b>Authorized Patents</b> ”) 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 2026 Entrusted Processing Framework Agreement and that it shall not be entitled to use the Authorized Patents for other purposes or to license any other third party to use the Authorized Patents of the Company unless prior written consent is obtained from us.
<b>Ownership of intellectual property rights</b>	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.
<b>Conditions</b>	<p>The 2026 Entrusted Processing Framework Agreement will take effect upon the fulfillment of the following conditions:</p> <p>The Company has complied with the relevant requirements of the Listing Rules in relation to the 2026 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 2026 Entrusted Processing Framework Agreement.</p>



### ***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 2026 Entrusted Processing Framework Agreement.

### ***Historical Amount***

For the nine months ended 30 September 2025, the total service fees incurred from entrusted processing services provided by Luoyang Group under the 2025 Entrusted Processing Framework Agreement were approximately RMB2,274.45 million.

### ***Proposed Annual Cap and Basis for Determination***

It is estimated that the fees to be incurred under the 2026 Entrusted Processing Framework Agreement will not exceed RMB6,000 million for the year ending 31 December 2026.

The above proposed annual cap is determined based on the following factors: (i) the historical service fees incurred from entrusted processing services provided by Luoyang Group for the nine months ended 30 September 2025; (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 annual production capacity of Luoyang Company; (v) the compound annual growth rate of 89% from 2021 to 2024 of sales volume of EV batteries and ESS products of the Group. The Group expects that the market demand for related products will continue to grow significantly in 2026, and accordingly, the demand for entrusted processing business will rise to meet the delivery requirements; (vi) the expected production capacity and utilization; and (vii) an approximate 5%-10% buffer set for price changes of related products and services, and possible market changes. Due to the non-competing undertakings, all the civil use production lines of Luoyang Group will be used for meeting the demands of the Company.

## ***Reasons for and Benefits of Entering into the 2026 Entrusted Processing Framework Agreement***

The Directors are of the view that the transactions under the 2026 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 customers nearby. The use of Luoyang Company's mature and stable 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 the needs of the Company's customers for related products, so as to further increase the Group's revenue and support its long-term business growth; (ii) Luoyang Company as well as the shareholders of Luoyang Company have already entered into a non-compete undertaking in favor 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; (iii) based on the previous transactions, both the Group and Luoyang Company have a thorough understanding of each other's product and service quality, and cooperation model, and it is cost effective and mutually beneficial for both parties to leverage their respective strengths to engage in cooperation; and (iv) 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.

## **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;
  - a. 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

- b. review the proposed price to ensure it is consistent with the pricing terms under the Supplemental Agreement to the 2025 Sales Framework Agreement, the Supplemental Agreement to the 2025 Entrusted Processing Framework Agreement, the 2026 Sales Framework Agreement and the 2026 Entrusted Processing 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 in accordance with the requirements of the Listing Rules and have fulfilled the relevant disclosure requirements;
- (5) the Company will comply with the relevant requirements under Chapter 14A of the Listing Rules for the continuing connected transactions; and
- (6) when considering any revisions or renewal of the Supplemental Agreement to the 2025 Sales Framework Agreement, the Supplemental Agreement to the 2025 Entrusted Processing Framework Agreement, the 2026 Sales Framework Agreement and the 2026 Entrusted Processing 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 the Supplemental Agreement to the 2025 Sales Framework Agreement and the transactions contemplated thereunder (including the revised annual cap thereto) are conducted in the usual and ordinary course of business of the Group on an arm's length basis and on normal commercial terms, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Directors (excluding the Independent Board Committee whose view will be disclosed in the circular) are of the view that (i) the Supplemental Agreement to the 2025 Entrusted Processing Framework Agreement and the transactions thereunder (including the revised annual cap thereto); (ii) the 2026 Sales Framework Agreement and the transactions contemplated thereunder (including the proposed annual cap); and (iii) the 2026 Entrusted Processing Framework Agreement and the transactions contemplated thereunder (including the proposed annual cap) are conducted in the ordinary and usual course of 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.

Hu Jing and 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 resolutions approving (i) the Supplemental Agreement to the 2025 Sales Framework Agreement; (ii) the Supplemental Agreement to the 2025 Entrusted Processing Framework Agreement; (iii) the 2026 Sales Framework Agreement; and (iv) the 2026 Entrusted Processing Framework Agreement and the continuing connected transactions thereunder. Save as disclosed above, none of the other Directors has material interests in the continuing connected transactions contemplated thereunder.

## **INFORMATION RELATING TO PARTIES**

### **The Group**

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

### **Luoyang Company**

Luoyang Company is a limited liability company established in the PRC, principally engaged in research, production, sales and market application development of lithium-ion motive power 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 enquiries, the ultimate beneficial owner of Luoyang Company 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 owned as to 49% by Jinhang Holding and 51% by Jincheng Technology, respectively, and Jincheng Technology is wholly owned by Jintan Holding. Thus, Luoyang Company is an associate of Jintan Holding and hence a connected person of the Company. Therefore, the transactions contemplated under the Supplemental Agreement to the 2025 Sales Framework Agreement, the Supplemental Agreement to the 2025 Entrusted Processing Framework Agreement, the 2026 Sales Framework Agreement and the 2026 Entrusted Processing Framework Agreement will constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules, respectively.

As the highest applicable percentage ratio of the revised annual cap under the Supplemental Agreement to 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 independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

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

As the highest applicable percentage ratio of the annual cap under the 2026 Sales Framework Agreement is more than 5%, the transactions contemplated thereunder are therefore subject to the reporting, announcement, annual review and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio of the annual cap under the 2026 Entrusted Processing Framework Agreement is more than 5%, the transactions contemplated thereunder are therefore subject to the reporting, announcement, annual review and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **THE EGM**

The Company will convene an EGM for the independent Shareholders to consider and, if thought fit, approve the following matters: (i) the Supplemental Agreement to the 2025 Entrusted Processing Framework Agreement and the transactions contemplated thereunder (including the revised annual cap thereto); (ii) the 2026 Sales Framework Agreement and the transactions contemplated thereunder (including the proposed annual cap); and (iii) the 2026 Entrusted Processing Framework Agreement and the transactions contemplated thereunder (including the proposed annual cap).

In accordance with the Listing Rules, any Shareholder with a material interest in (i) the Supplemental Agreement to the 2025 Entrusted Processing Framework Agreement and the transactions contemplated thereunder (including the revised annual cap thereto); (ii) the 2026 Sales Framework Agreement and the transactions contemplated thereunder (including the proposed annual cap); and (iii) the 2026 Entrusted Processing Framework Agreement and the transactions contemplated thereunder (including the proposed annual cap), and its associates will be required to abstain from voting on the relevant resolutions approving these agreements and the continuing connected transactions contemplated thereunder at the EGM.

As at the date of this announcement, Jintan Group held 461,216,157 Shares of the Company in aggregate, directly and indirectly, representing 26.02% of the total issued share capital of the Company. As such, each of the companies in Jintan Group will abstain from voting on the resolutions approving (i) the Supplemental Agreement to the 2025 Entrusted Processing Framework Agreement and the transactions contemplated thereunder (including the revised annual cap thereto); (ii) the 2026 Sales Framework Agreement and the transactions contemplated thereunder (including the proposed annual cap); and (iii) the 2026 Entrusted Processing Framework Agreement and the transactions contemplated thereunder (including the proposed annual cap) at the EGM. Save as disclosed above, and to the best knowledge, information and belief of the Directors having made all reasonable enquiries, as at the date of this announcement, no other Shareholder is required to abstain from voting on resolutions at the EGM.

### **Independent Board Committee and Independent Financial Adviser**

The Independent Board Committee (comprising Dr Wang Susheng, Dr Chen Zetong and Dr Xiao Wen, all of whom are independent non-executive Directors) has been formed to provide recommendations to the independent Shareholders in respect of the Supplemental Agreement to the 2025 Entrusted Processing Framework Agreement, the 2026 Sales Framework Agreement and the 2026 Entrusted Processing Framework Agreement, and the continuing connected transactions contemplated thereunder. Its advice and recommendations will be set out in the circular to be despatched by the Company.

In addition, Somerley Capital will be appointed as the Independent Financial Adviser to advise the Independent Board Committee and the independent Shareholders in respect of: (i) the Supplemental Agreement to the 2025 Entrusted Processing Framework Agreement and the transactions contemplated thereunder (including the revised annual cap thereto); (ii) the 2026 Sales Framework Agreement and the transactions contemplated thereunder (including the proposed annual cap); and (iii) the 2026 Entrusted Processing Framework Agreement and the transactions contemplated thereunder (including the proposed annual cap).



## Despatch of Circular

A circular containing, among other things, (i) a letter from the Board (containing further details of the Supplemental Agreement to the 2025 Entrusted Processing Framework Agreement and the transactions contemplated thereunder (including the revised annual cap thereto), the 2026 Sales Framework Agreement and the transactions contemplated thereunder (including the proposed annual cap) and the 2026 Entrusted Processing Framework Agreement and the transactions contemplated thereunder (including the proposed annual cap)); (ii) a letter from the Independent Board Committee; (iii) a letter from the Independent Financial Adviser; and (iv) the notice of EGM, is expected to be published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.calb-tech.com](http://www.calb-tech.com)) by no later than 3 December 2025, and will be despatched to the Shareholders who have already provided instructions indicating their preference to receive hard copies in due course.

## DEFINITIONS

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

“2025 Entrusted Processing Framework Agreement”	the 2025 entrusted processing framework agreement dated 20 November 2024 entered into 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 entrusts Luoyang Group to provide processing services of EV battery products for civil use and energy storage system (ESS) products to the Group for a term of one year commencing from 1 January 2025 to 31 December 2025
“2025 Sales Framework Agreement”	the 2025 sales framework agreement dated 20 November 2024 entered into 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 sells Lithium Batteries and related products (such as raw materials, semi-finished products, finished products) to Luoyang Company and its associates for a term of one year commencing from 1 January 2025 to 31 December 2025
“2026 Entrusted Processing Framework Agreement”	the 2026 entrusted processing framework agreement to be entered into 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 to the Group for a term of one year commencing from 1 January 2026 to 31 December 2026

“2026 Sales Framework Agreement”	the 2026 sales framework agreement to be entered into 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 and related products (such as raw materials, semi-finished products, finished products) to Luoyang Company and its associates for a term of one year commencing from 1 January 2026 to 31 December 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), H Shares of which are listed on the Stock Exchange with stock code of 3931
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“connected transaction(s)”	has the same meaning ascribed to it under the Listing Rules
“continuing connected transaction(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 revision of the annual cap to the 2025 Entrusted Processing Framework Agreement, the renewal of 2026 Sales Framework Agreement, 2026 Entrusted Processing Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps) or any adjournment thereof
“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

“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 revision of the annual cap to the 2025 Entrusted Processing Framework Agreement, the renewal of 2026 Sales Framework Agreement, 2026 Entrusted Processing Framework Agreement and the transactions contemplated thereunder (including the proposed annual caps)
“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 revision of the annual cap to the 2025 Entrusted Processing Framework Agreement, the renewal of 2026 Sales Framework Agreement, 2026 Entrusted Processing Framework Agreement and the transactions contemplated thereunder
“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)
“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 7 December 2015 and wholly owned by Jintan Holding, a connected person of the Company
“Jinhang Holding”	Jiangsu Jinhang Holding Co., Ltd.* (江蘇金航控股有限公司), a company established under the laws of the PRC with limited liability on 2 March 2022, which is owned as to 40% by Jincheng Technology, 30% by Changzhou Shenghai Intelligent Technology Co., Ltd.* (常州市昇海智能科技有限公司), an Independent Third Party, 12.5% by Nanjing Ruiguan Enterprise Management Centre (Limited Partnership)* (南京瑞冠企業管理中心(有限合夥)), 12.5% by Wuxi Fengshenghui Enterprise Management Partnership Business (Limited Partnership)* (無錫豐晟匯企業管理合夥企業(有限合夥)) and 5% by Jiangsu Fengchuang Environmental Energy Co., Ltd.* (江蘇楓創環保能源有限公司), an Independent Third Party. Jinhang Holding is 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 16 September 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 established under the laws of the PRC with limited liability on 14 September 2009, which is owned as to 51% by Jincheng Technology and 49% by Jinhang Holding, and a connected person of the Company

“Luoyang Group”	Luoyang Company and its subsidiaries
“PRC” or “China”	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)”	the shareholder(s) of the Company
“subsidiary(ies)”	has the same meaning ascribed to it under the Listing Rules
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supplemental Agreement to the 2025 Entrusted Processing Framework Agreement”	a supplemental agreement to the 2025 Entrusted Processing Framework Agreement to be entered into between the Company (for itself and on behalf of the Group) and Luoyang Company (for itself and on behalf of Luoyang Group), in relation to the revision of the annual cap to the 2025 Entrusted Processing Framework Agreement
“Supplemental Agreement to the 2025 Sales Framework Agreement”	a supplemental agreement to the 2025 Sales Framework Agreement to be entered into between the Company (for itself and on behalf of the Group) and Luoyang Company (for itself and on behalf of its associates), in relation to the revision of the annual cap to the 2025 Sales Framework Agreement
“%”	percent

\* *for identification purposes only*

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

Changzhou, PRC  
12 November 2025

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