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)

CONNECTED TRANSACTION
ACQUISITION OF 8.3155% EQUITY INTEREST IN WUHAN COMPANY

THE ACQUISITION

The Board hereby announces that, on 23 December 2025, the Company successfully bid for the Target Equity offered for sale by the Vendor in the Public Tender held by CBEX. Accordingly, on 24 December 2025 (after trading hours), the Company entered into the Equity Transaction Agreement with the Vendor, pursuant to which, the Company agreed to purchase, and the Vendor agreed to sell, the Target Equity at a consideration of RMB660,076.1 thousand. The Company has received the "Enterprise State-Owned Assets Transaction Certificate" issued by CBEX on 24 December 2025 in relation to the Acquisition.

As at the date of this announcement, the Target Company was owned as to 51% and 49% by the Company and the Vendor, respectively. Upon the completion of the auction and the Acquisition, the Company's equity interest in the Target Company shall increase from 51% to 59.3155%, and the Target Company will continue to be a non-wholly owned subsidiary of the Company.

LISTING RULES IMPLICATIONS

As at the date of this announcement, as the Vendor is the substantial shareholder of the Target Company and the Target Company is a non-wholly owned subsidiary of the Company, the Vendor therefore constitutes a connected person of the Company at the subsidiary level. Therefore, the Acquisition contemplated under the Equity Transaction Agreement constitutes a connected transaction of the Company.

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the transactions contemplated under the Acquisition exceed 1% but are less than 5%, such transactions are therefore subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but are exempt from the circular and independent Shareholders' approval requirements. Such transactions do not constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

The Board hereby announces that, on 23 December 2025, the Company successfully bid for the Target Equity offered for sale by the Vendor in the public tender process (the "**Public Tender**") held by China Beijing Equity Exchange ("**CBEX**"). Accordingly, on 24 December 2025 (after trading hours), the Company entered into the Equity Transaction Agreement with the Vendor, pursuant to which, the Company agreed to purchase, and the Vendor agreed to sell, the Target Equity at a consideration of RMB660,076.1 thousand. The Company has received the "Enterprise State-Owned Assets Transaction Certificate" issued by CBEX on 24 December 2025 in relation to the Acquisition.

As at the date of this announcement, the Target Company was owned as to 51% and 49% by the Company and the Vendor, respectively. Upon the completion of the auction and the Acquisition, the Company's equity interest in the Target Company shall increase from 51% to 59.3155%, and the Target Company will continue to be a non-wholly owned subsidiary of the Company.

DETAILS OF THE ACQUISITION

The principal terms of the Equity Transaction Agreement are summarised below:

Date: 24 December 2025

Parties:

(i) Vendor: Wuhan Jingkai Investment Co., Ltd.* (武漢經開投資有限公司)

(ii) Purchaser: CALB Group Co., Ltd. (中創新航科技集團股份有限公司)

Consideration and Payment Terms

The consideration is RMB660,076.1 thousand. Pursuant to the Equity Transaction Agreement, the deposit of RMB198 million paid by the Company will be automatically converted into the consideration. In addition to the deposit, the Company is required to make a one-off payment of the remaining transaction consideration and the transaction service fee to the designated account of CBEX within five (5) business days from the date of the Equity Transaction Agreement. Upon the issuance of the "State Property Rights Transaction Certificate", CBEX shall transfer all the transaction consideration to the designated account of the Vendor within three (3) working days.

The consideration for the Acquisition will be funded by internal resources of the Group.

Basis of the Determination of the Consideration

The consideration is equivalent to the reserve price for the auction of 8.3155% equity interest (the "**Target Equity**") in the Target Company in the Public Tender. As the Purchaser is the sole bidder, the consideration was determined based on the successful auction result.

The Vendor has engaged the Independent Valuer to appraise the Target Equity. The reserve price of the Target Equity in the Public Tender was determined based on the Valuation Report prepared by the Independent Valuer by reference to the appraised value of the total shareholders' equity of the Target Company of approximately RMB7,262,044.5 thousand as at 31 July 2025 (being the "**Valuation Benchmark Date**").

Please refer to Appendix I of this announcement for a summary of the Valuation Report, including the valuation methods, key assumptions and key input parameters and calculation process for valuation.

INFORMATION ON THE TARGET COMPANY

CALB (Wuhan) Co., Ltd.* (中創新航科技(武漢)有限公司) is a company established under the laws of the PRC with limited liability, principally engaging in research and development, manufacturing, sales and market application development of lithium batteries, battery management system and related integrated products.

Prior to the completion of the Acquisition, the Target Company was owned as to 51% and 49% by the Company and the Vendor, respectively. The Target Company was incorporated in July 2021, and the equity structure at the time of establishment was such that the Company and the Vendor held 51% and 49% of the equity interests in the Target Company respectively. Since then, the shareholding of the Company and the Vendor has not changed even though the Target Company underwent several rounds of capital increases. As disclosed in the Valuation Report, the cost of its original investment in the Target Company by the Vendor is RMB3,038 million (being the amount of paid-in capital in respect of equity investment in the Target Company by the Vendor).

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

	For the year ended 31 December	
	2023	**2024**
	(Audited)	(Audited)
	RMB'000	*RMB'000*
Net profit before tax	161,809.6	292,227.3
Net profit after tax	142,104.8	292,161.9

According to the 2023 annual report and the 2024 annual report of the Target Company prepared under the China Accounting Standards for Business Enterprises, as at 31 December 2023 and 31 December 2024, the total asset of the Target Company were approximately RMB13,498,712.58 thousand (audited) and RMB18,240,559.45 thousand (audited) respectively, and the net asset were approximately RMB6,285,133.74 thousand (audited) and RMB6,877,168.97 thousand (audited), respectively.

VALUATION AND PRICING OF THE TARGET EQUITY

According to the Valuation Report, the valuation was conducted by the Independent Valuer using the asset-based approach and the income approach. Having taken into account the applicability of the valuation methods and the purpose of such valuation, the Independent Valuer ultimately selected the valuation results based on the asset-based approach as its final valuation conclusion. As both the asset-based approach and the income approach were adopted for the valuation, of which the income approach involved the use of discounted cash flows method, the valuation constitutes a profit forecast under Rule 14.61 of the Hong Kong Listing Rules (the "**Wuhan Company Profit Forecast**"). The Company has fully complied with Rule 14.60A of the Hong Kong Listing Rules, and details of the key assumptions for the Wuhan Company Profit Forecast are set out in the "valuation assumptions" in Appendix I.

The report on the calculations of the discounted future cash flows set out in the Valuation Report has been issued by RSM Hong Kong, the reporting accountant of the Company. The report from RSM Hong Kong is set out in Appendix II.

The Board has reviewed and considered the valuation, including the key assumptions on which the valuation is based. The Board has also confirmed that the Wuhan Company Profit Forecast was made after due and careful enquiry, and the letter from the Board regarding this forecast is set out in Appendix III.

The following is the qualification of the expert who has given the Company opinions or advice which are contained in this announcement:

Name	**Qualification**
RSM Hong Kong	Certified Public Accountants

As at the date of this announcement, the abovementioned expert has given and has not withdrawn its written consent to the issue of this announcement with the inclusion herein of its letter of advice/report and references to its name in the form and context in which it appears.

As at the date of this announcement, RSM Hong Kong:

i. did not have any shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any shares, convertible securities, warrants, options or derivatives which carry voting rights in any member of the Group; or

ii. did not have any interest, either directly or indirectly, in any assets which have been, since the date to which the latest published audited financial statements of the Company were made up (i.e., 31 December 2024), acquired by or disposed of or leased to or are proposed to be acquired by or disposed of or leased to any member of the Group.

REASONS FOR AND BENEFITS OF THE ACQUISITION

Since its establishment, Wuhan Company has efficiently and rapidly completed the construction of production lines and put them into operation, with stable revenue growth, good profitability, and a controllable liability-to-asset ratio. Based on the positive outlook for the development of Wuhan Company, the Company has participated in the Public Tender. The completion of the Acquisition will further increase the shareholding proportion of the Company in Wuhan Company.

Opinion of the Board

The Directors (including the independent non-executive Directors) believe that the transactions contemplated under the Acquisition have performed the public tender procedures in accordance with the provisions of relevant laws and regulations. Such transactions and the transaction terms under the Equity Transaction Agreement are conducted in the usual and ordinary course of business of the Company on normal commercial terms, and are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

None of the Directors has material interests in the Acquisition and is required to abstain from voting on the relevant Board resolution.

INFORMATION OF THE PARTIES

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.

Wuhan Jingkai Investment Co., Ltd.* (武漢經開投資有限公司)

Wuhan Jingkai Investment Co., Ltd.* (武漢經開投資有限公司) is a company incorporated in the PRC with limited liability, and its principal businesses include real estate development, equity investment, corporate management, house leasing, property management and shared workspace services. Wuhan Jingkai Investment is wholly owned by the State-owned Assets Supervision and Administration Commission of Wuhan Economic and Technological Development Zone (Hannan District)* (武漢經濟技術開發區(漢南區)國有資產監督管理局).

As at the date of this announcement, Wuhan Jingkai Investment is a substantial shareholder of the Target Company and therefore constitutes a connected person of the Company at the subsidiary level.

LISTING RULES IMPLICATIONS

As at the date of this announcement, as the Vendor is the substantial shareholder of the Target Company and the Target Company is a non-wholly owned subsidiary of the Company, the Vendor therefore constitutes a connected person of the Company at the subsidiary level. Therefore, the Acquisition contemplated under the Equity Transaction Agreement constitutes a connected transaction of the Company.

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the transactions contemplated under the Acquisition exceed 1% but are less than 5%, such transactions are therefore subject to the reporting and announcement requirements under Chapter 14A of the Listing Rules, but are exempt from the circular and independent Shareholders' approval requirements. Such transactions do not constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

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

"Acquisition"	the acquisition of the Target Equity by the Company
"Board"	the board of directors of the Company
"Company" or "CALB"	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 meaning ascribed to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"ESS products"	batteries applied to energy storage scenarios
"EV batteries"	batteries that provide power to new energy vehicles (NEV)
"Equity Transaction Agreement"	The equity transaction agreement entered into between the Company and the Vendor on 24 December 2025 in relation to the Acquisition
"Group"	the Company and its subsidiaries
"Independent Valuer"	Shenzhen China United Assets Appraisal Co., Ltd.* (深圳中聯資產評估有限公司), now renamed as Shenzhen China United Asset Appraisal Real Estate Land Valuation Co., Ltd.* (深圳市中聯資產評估房地產土地估價有限公司), an independent third-party valuer appointed by the Vendor for the matters concerning the auction of the Target Equity
"Independent Third Party(ies)"	the independent third party(ies) not connected with the Company and its subsidiaries, their respective directors, chief executives and substantial shareholders and any of their associates within the meaning of the Listing Rules
"Listing Rules"	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended from time to time
"RMB"	Renminbi, the lawful currency of the PRC
"Vendor" or "Wuhan Jingkai Investment"	Wuhan Jingkai Investment Co., Ltd.* (武漢經開投資有限公司), a company established under the laws of the PRC with limited liability on 26 December 2000, which is wholly owned by the State-owned Assets Supervision and Administration Commission of Wuhan Economic and Technological Development Zone (Hannan District)* (武漢經濟技術開發區(漢南區)國有資產監督管理局)

"Shareholder(s)"	the shareholder(s) of the Company
"Valuation Report"	the Asset Valuation Report on the Value of the Entire Shareholders' Equity in CALB (Wuhan) Co., Ltd.* (中創新航科技(武漢)有限公司) Involved in the Proposed Tender and Transfer of the Equity of CALB (Wuhan) Co., Ltd.* (中創新航科技(武漢)有限公司) by Wuhan Jingkai Investment Co., Ltd.* (武漢經開投資有限公司) (Shen Zhong Lian Ping Bao Zi [2025] No. 179), which is issued by the Independent Valuer
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"Target Company" or "Wuhan Company"	CALB (Wuhan) Co., Ltd.* (中創新航科技(武漢)有限公司), a company established under the laws of the PRC with limited liability on 15 July 2021, being a direct non-wholly owned subsidiary of the Company
"Target Equity"	the 8.3155% equity interest in the Target Company acquired by the Company under the Equity Transaction 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
24 December 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.

APPENDIX 1 SUMMARY OF THE VALUATION REPORT

Valuation Methods

According to the Valuation Report, the Independent Valuer analysed the applicability of three valuation methods, namely the market approach, the asset-based approach and the income approach.

Due to the difficulty in obtaining detailed valuation data for recent transactions of companies of similar size, and the limited number of comparable listed companies with similar size and business structure in the market, the market approach is not adopted for this valuation.

The asset-based approach reflects the value of an enterprise from the perspective of its acquisition and construction. As the Independent Valuer is able to collect detailed information on the assets and liabilities of the appraised entity as of the Valuation Benchmark Date, the asset-based approach is suitable for this valuation. The appraised entity possesses the foundation and conditions for continuing operations, and its future earnings and risks are predictable and quantifiable, thus the income approach is adopted for this valuation.

Considering the applicability of the valuation methods and the purpose of the valuation, the valuation result of the asset-based approach was selected as the final valuation conclusion.

Valuation Assumptions

(I) General assumptions

1. Transaction assumption

   The transaction assumption is to assume that all assets to be valued are already in the process of being traded, and the Independent Valuer conducts valuation in a simulated market based on the transaction conditions of the assets to be valued. The transaction assumption is the most fundamental assumption for asset valuation to be carried out.

2. Open market assumption

   The open market assumption is to assume that, with respect to the asset traded or intended to be traded in the market, the transacting parties are in equal position and both have opportunities and time to access sufficient market information so as to make a rational judgment on the function, purpose and transaction price of the assets. The open market assumption is made on the basis that the assets are publicly tradable in the market.

3. Going concern assumption

The going concern assumption is a valuation assumption made by considering the assets of the enterprise as a whole as the valuation target. That is, the enterprise, as a business entity, continues to operate in accordance with its business objectives in the external environment where it operates. The operator of the enterprise is responsible and competent in fulfilling its responsibilities; and the enterprise operates legally and is able to generate appropriate profits to maintain its ability to continue as a going concern. For various operating assets of the enterprise, they can continue to be used for their current purpose and in the manner, scale, frequency and environment in which they are used currently, or be used on a modified basis.

(II) Special assumptions

1. It is assumed that there are no significant changes in the political, economic and social environment of the country and region where the appraised entity is located after the Valuation Benchmark Date.

2. It is assumed that there are no significant changes in the macroeconomic policies, industry policies and regional development policies of the country and region where the appraised entity is located after the Valuation Benchmark Date.

3. It is assumed that there are no significant changes in the tax bases, tax rates, and policy-based charges related to the appraised entity after the Valuation Benchmark Date.

4. It is assumed that the management of the appraised entity is responsible, stable, and competent in performing its duties after the Valuation Benchmark Date.

5. It is assumed that the appraised entity will fully comply with all relevant laws and regulations and there will be no material irregularity affecting its development and profitability.

6. It is assumed that the accounting policies adopted by the appraised entity after the Valuation Benchmark Date are consistent in all material respects with the accounting policies adopted for the preparation of the Valuation Report.

7. The underlying information and financial information provided by the principal and the appraised entity are true, accurate and complete.

8. It is assumed that there are no significant changes in the business scope and business mode of the appraised entity after the Valuation Benchmark Date, based on its existing management approaches and management level, except for the matters disclosed in the Valuation Report.

9. During the future operating periods, the composition of various expenses of the appraised entity will not change significantly from the current base, and will change synchronously with the changes in the scale of operation.

10. The finance costs referred to in this report represent the financing costs incurred by the enterprise in raising funds for normal operations or construction in the course of production and operation. During the forecast period, when net cash flow is insufficient to meet production and operation needs, additional interest-bearing debt may be sought; and newly raised interest-bearing debt will be repaid when there is sufficient net cash flow. In view of the frequent changes or significant fluctuations in cash on hand and at banks of the enterprise in the course of production and operation, interest income from deposits and other uncertain gains and losses other than interest-bearing debt are not taken into account in the valuation.

11. Wuhan Company has been recognised as a High and New Technology Enterprise (HNTE). In accordance with relevant national preferential income tax policies, Wuhan Company is entitled to income tax incentives for HNTEs, whereby corporate income tax is calculated and paid at a reduced rate of 15% of the taxable income. This valuation assumes that Wuhan Company will continue to meet the HNTE recognition standards in the future, thereby qualifying for income tax incentives and paying corporate income tax at the 15% rate.

12. According to the Announcement on Further Improving the Pre-Tax Additional Deduction Policy for Research and Development Expenses (《關於進一步完善研發費用稅前加計扣除政策的公告》) (Announcement No. 7 of 2023 of the Ministry of Finance and the State Taxation Administration), for research and development (R&D) expenses actually incurred by enterprises in the course of conducting research and development activities that are not intangible assets and are included in the profit and loss for the current period, on the basis of actual deduction in accordance with regulations, from 1 January 2023, an additional deduction of 100% of the actual amount will be made before tax.

    According to the Announcement of the State Taxation Administration on Issues Concerning the Pre-Tax Additional Deduction Policy for Enterprise Research and Development Expenses (《國家稅務總局關於企業研究開發費用稅前加計扣除政策有關問題的公告》) (Announcement No. 97 of 2015 of the State Taxation Administration), expenses incurred by enterprises for commissioning external institutions or individuals to carry out R&D activities may be deducted before tax in accordance with regulations; when calculating the additional deduction, 80% of the expenses incurred for the R&D activities shall be used as the base amount for the additional deduction. For R&D commissioned to individuals, the additional deduction before tax shall be based on legally valid vouchers such as invoices issued by the individuals. This valuation assumes that the above policies will remain applicable and predicts that, in future years, additional deductions for outsourced R&D expenses will be estimated at 80% of such expenses, while additional deductions for other R&D expenses will be calculated at 100% of the actual amount incurred before tax.

13. It is assumed that the cash inflows of the appraised entity after the Valuation Benchmark Date occur mid-year, and the cash outflows occur mid-year.

14. It is assumed that no force majeure events will have a material adverse impact on the appraised entity after the Valuation Benchmark Date.

Key Input Parameters and Calculation Process for Valuation

(I) Asset-Based Approach

Under the asset-based approach, appropriate methods are applied to assess each category of assets and liabilities separately:

1. **Current assets**: Current assets included in the valuation comprise monetary funds, notes receivable, receivables financing, accounts receivable, advances to suppliers, other receivables, inventories, and other current assets.

2. **Fixed assets**: (1) Buildings and structures: Given the purpose of this valuation and the actual status of the assets under valuation, the buildings and structures were acquired through self-construction by the enterprise. For this valuation, the replacement cost approach is applied to the self-constructed properties. Under the replacement cost approach, the full replacement cost of a building is calculated based on construction documents and completion settlement documents, using current quota standards, construction fees, and loan interest rates according to the building's engineering volume. The net appraised value is then derived by applying a composite depreciation rate determined based on the building's service life and the conditions observed during the on-site inspection. (2) Equipment assets: Given the purpose of this valuation and adhering to the principle of continuous use, and based on market prices, taking into account the characteristics of the equipment under valuation and the data collected, this valuation applies primarily the replacement cost approach. Appraised Value = Full Replacement Cost × Depreciation Rate.

3. **Construction in progress**: The Independent Valuer verified relevant detailed accounts, booking vouchers, contracts, and other documents on-site, inspected the physical status of the construction in progress, and conducted discussions with relevant personnel such as project engineers. It was confirmed that the progress of the construction-in-progress project subject to valuation was essentially proceeding as planned. Appraised Value of Construction-in-progress Equipment Installation Works = Costs Incurred to Date + Cost of Capital.

4. **Intangible assets**: (1) land use rights: The valuation object is industrial land. In recent years, industrial land in this area has mostly been transferred via bidding, auction, or listing, with numerous transaction cases of surrounding industrial land, meeting the conditions for market approach valuation. Therefore, the market comparison approach is deemed appropriate. (2) others: According to the Asset Valuation Practice Standards – Intangible Assets, the valuation of intangible assets generally involves three approaches, namely the income approach, the market approach, and the cost approach. The Independent valuer may appropriately select one or more asset valuation approaches based on relevant conditions such as the valuation purpose, type of value, and data availability.

5. **Long-term deferred expenses**: Long-term deferred expenses within the scope of this valuation primarily comprise office furniture, dormitory mattresses, moulds, and similar items. For such long-term deferred expenses, the appraised value is determined based on verification of expenditure records and amortisation policies, and is set as the value of the assets and rights that would still exist for the asset holder after the valuation purpose is fulfilled and that do not overlap with other valuation objects.

6. **Other non-current assets**: Other non-current assets represent prepayments for equipment. For prepayments for equipment, the Independent valuer verified the relevant accounting records, booking documentation, etc., to confirm the accuracy of the book records. The appraised value is determined based on the verified book value.

7. **Liabilities**: The Independent valuer verified the actual debtors and liability amounts for each liability after the valuation purpose is fulfilled. The appraised value is determined based on the liability items and amounts that the property owner is actually required to assume after the valuation purpose is fulfilled.

The table below sets out the book value and the fair value of the assets and liabilities as of 31 July 2025 based on the asset-based approach:

Table of the Assets Valuation Results

Appraised entity: CALB (Wuhan) Co., Ltd. Valuation Benchmark Date: 31 July 2025 *Unit: RMB0'000*

Item		Book Value	Appraised Value	Amount of Appreciation/ Depreciation	Appreciation Rate %
		A	B	C=B-A	D=C/A×100
1	Current assets	492,291.23	503,859.97	11,568.74	2.35
2	Non-current assets	1,465,304.35	1,462,711.96	-2,592.39	-0.18
3	Including: Financial assets available for sale	–	–	–	
4	Fixed assets	634,238.55	619,926.10	-14,312.44	-2.26
5	Construction in progress	793,050.85	801,015.78	7,964.93	1.00
6	Intangible assets	26,116.89	29,017.28	2,900.38	11.11
6-1	Including: Land use rights	24,625.63	26,031.74	1,406.12	5.71
7	Long-term deferred expenses	10,830.15	11,684.88	854.74	7.89
8	Other non-current assets	1,067.92	1,067.92	–	–
9	**Total assets**	**1,957,595.58**	**1,966,571.93**	**8,976.35**	**0.46**
10	Current liabilities	741,774.92	741,774.92	–	–
11	Non-current liabilities	499,305.05	498,592.56	-712.49	-0.14
12	**Total liabilities**	**1,241,079.97**	**1,240,367.48**	**-712.49**	**-0.06**
13	**Net assets (shareholders' equity)**	**716,515.61**	**726,204.45**	**9,688.84**	**1.35**

(II) Income Approach

1. Selection of valuation model

(1) Basic model

The basic model used in this valuation is:

$$E = B - D \tag{1}$$

Where:

E: The value of the total shareholders' equity of the appraised entity;

B: The enterprise value of the appraised entity;

$$B = P + \sum C_i \tag{2}$$

P: The value of the operating assets of the appraised entity;

$$P = \sum_{i=1}^{n} \frac{R_i}{(1+r)^i} + \frac{R_n}{r(1+r)^n} \tag{3}$$

Where:

R_i: Expected earnings (free cash flow) of the appraised entity in year i over the future period;

R_n: Expected earnings (free cash flow) of the appraised entity in perpetuity period;

r: The discount rate;

n: The future operating period of the appraised entity;

ΣC_i: The appraised value of non-operating or surplus assets on the Valuation Benchmark Date.

$$\sum C_i = C_1 + C_2 \tag{4}$$

Where:

C_1: The value of current-type surplus or non-operating assets (liabilities) existing on the Valuation Benchmark Date of the appraised entity;

C_2: The value of non-current-type surplus or non-operating assets (liabilities) existing on the Valuation Benchmark Date of the appraised entity;

D: The interest-bearing debt value of the appraised entity;

(2) Earning indicators

In this valuation, the free cash flow of the enterprise was used as an earning indicator on the operating assets of the appraised entity, which is basically defined as:

R = net profit + depreciation and amortization + interest on interest-bearing debts net of tax – additional capital (5)

Where:

Net profit = operating profit + non-operating income – non-operating expenses – income tax expenses

Operating profit = operating income – operating cost – tax and surcharges – sales expenses – administrative expenses – research and development expenses – finance charges

Depreciation and amortization = depreciation and amortization in costs and expenses (operating cost, administrative expenses and research and development expenses) (6)

Interest on interest-bearing debts net of tax = total interests on long-term and short-term interest-bearing debt × (1 – income tax rate)

Additional capital = investment in assets renewal + incremental working capital + additional investment in long-term assets (7)

Where:

Investment in assets renewal = renewal of buildings + replacement of machines and equipment + replacement of other automation equipment (electronics, transportation and etc.) + renewal of intangible assets (development expenditure) (8)

Incremental working capital = current working capital – previous working capital (9)

Where:

Working capital = cash reserves + inventories + receivables – payables (10)

As the appraised entity is in the stage of gaining production capacity and mainly engages in transactions between related parties, the historical working capital has fluctuated significantly. This valuation is calculated based on the ratio of the overall working capital to the operating income of CALB Group.

The expected future free cash flow of the appraised entity is calculated according to its operating history, future market development and its business planning. The value of the operating assets of the enterprise was calculated by discounting and adding the free cash flow which would be generated in the future operating term.

(3) Discount rate

The weighted average cost of capital assets (WACC) model was used in this valuation to determine the discount rate r:

$$\boldsymbol{r} = \boldsymbol{r}_d \times \boldsymbol{w}_d + \boldsymbol{r}_e \times \boldsymbol{w}_e \tag{12}$$

Where:

W_d: The debt ratio of the appraised entity;

$$\boldsymbol{W}_d = \frac{\boldsymbol{D}}{(\boldsymbol{E}+\boldsymbol{D})} \tag{13}$$

W_e: The equity ratio of the appraised entity;

$$\boldsymbol{W}_e = \frac{\boldsymbol{E}}{(\boldsymbol{E}+\boldsymbol{D})} \tag{14}$$

r_d: The interest rate on interest-bearing debts net of income tax;

r_e: Cost of equity capital. In this valuation, the cost of equity capital r_e was determined according to the Capital Asset Pricing Model (CAPM);

$$\boldsymbol{r}_e = \boldsymbol{r}_f + \beta_e \times (\boldsymbol{r}_m - \boldsymbol{r}_f) + \varepsilon \tag{15}$$

Where:

r_f: Risk-free rate of return;

r_m: Market expected rate of return;

ε: Risk adjustment factor for the characteristics of the appraised entity;

β_e: Expected market risk coefficient of equity capital of the appraised entity;

$$\beta_e = \beta_u \times (1+(1-t) \times \frac{D}{E}) \tag{16}$$

β_u: Expected unlevered market risk coefficient for comparable companies;

$$\beta_u = \frac{\beta_t}{1+(1-t)\frac{D_i}{E_i}} \tag{17}$$

β_t: Expected market average risk coefficient for shares (assets) of comparable companies;

$$\beta_t = 34\% K + 66\% \beta_x \tag{18}$$

Where:

K: The average value-at-risk of the stock market over the future period, usually assuming K = 1;

β_x: Historical market average risk coefficient for shares (assets) of comparable companies;

D_i, E_i: Interest-bearing debts and equity capital of comparable companies, respectively.

2. Determination of the projection period

The management of the Target Company has determined that the detailed projection period for revenue and costs will be until 2030, based on a comprehensive analysis of the Target Company's revenue structure, cost structure, business types, investment income, and risk levels, taking into account macro policies, industry cycles, corporate planning, and other influencing factors. Since the corporate income tax will remain stable after 2036, the projection period is extended to 2036, with income expected to remain stable thereafter.

3. Determination of the income period

As the Target Company continues as a going concern through the normal renewal of long-term assets such as fixed assets and intangible assets, the income period is determined on a perpetual basis.

4. Valuation results

The book value of shareholders' equity of Wuhan Company as at the Valuation Benchmark Date (i.e. 31 July 2025) was RMB7,165,156.1 thousand, and the appraised value was RMB7,214,656.9 thousand, representing an appreciation of RMB49,500.8 thousand and an appreciation rate of 0.69%.

The Final Valuation Conclusion And the Reasons

The value of the total shareholders' equity value calculated with the income approach was RMB7,214,656.9 thousand, which was RMB47,407.9 thousand or 0.65% lower than that of RMB7,262,044.5 thousand calculated with the asset-based approach. The main reasons for the differences between the two valuation approaches are as follows: the asset-based approach valuation is based on the replacement cost of the asset, reflecting the socially necessary labour consumed in the asset input (acquisition and construction cost), such acquisition and construction cost will usually change with the changes in the national economy; and the income approach valuation is based on the expected return of the asset, reflecting the size of the asset's operating ability (profitability), such profitability will usually be affected by various conditions such as macroeconomy, government control and effective use of assets. In summary, there are differences between the two valuation approaches.

The difference rate between the valuation results using the asset-based approach and the income approach was 0.65%, indicating a minor difference. The results from both approaches mutually validated each other. The economic activity of this valuation was the proposed transfer of equity in CALB (Wuhan) Co., Ltd.* (中創新航科技(武漢)有限公司) by Wuhan Jingkai Investment Co., Ltd.* (武漢經開投資有限公司). The valuation under the asset-based approach reflects an enterprise's value from the perspective of its acquisition and construction. Compared with the income approach, the asset-based approach requires fewer valuation assumptions, is more conservative, and can more objectively and reasonably reflect the overall value of the enterprise, providing a certain basis for the operation, management, and assessment of the enterprise after realization of the economic activity. The valuation under the income approach is based on the enterprise's future development plans and operational forecasts. The associated profit projections are derived from book assets, investment plans, and asset utilization and output efficiency. They are subject to a number of factors such as geopolitics, trade barriers, raw material supply and price fluctuations, technological iteration and innovation risks, changes in industrial and environmental policies, excessive capacity growth, shifts in the macroeconomic environment, and intensified market competition. The production capacity of the appraised entity's manufacturing bases is currently in the ramping-up phase. These factors lead to certain uncertainties in the profit forecasts underlying the income approach, making the valuation result under the asset-based approach more reliable.

Through the above analysis, we have adopted the valuation result under the asset-based approach as the conclusion of this valuation. Therefore, the market value of entire shareholders' equity interests of CALB (Wuhan) Co., Ltd. as at the Valuation Benchmark Date (i.e. 31 July 2025) is concluded as follows: the book value of net assets of RMB7,165,156.1 thousand, appraised value of RMB7,262,044.5 thousand, representing an appreciation of RMB96,888.4 thousand and an appreciation rate of 1.35%.

The following is the text of a letter prepared by the independent reporting accountant, RSM Hong Kong, Certified Public Accountants, Hong Kong, dated 24 December 2025 for inclusion in this announcement.

INDEPENDENT ASSURANCE REPORT ON THE DISCOUNTED CASH FLOW FORECAST IN CONNECTION WITH THE VALUATION OF CALB (WUHAN) CO., LTD.

To the Board of Directors of CALB Group Co., Ltd.

We have been engaged to report on the arithmetical accuracy of the calculations of discounted cash flow forecast (the "**Forecast**") on which the valuation dated 16 November 2025 prepared by Shenzhen China United Assets Appraisal Co., Ltd. (深圳中聯資產評估有限公司) in respect of CALB (Wuhan) Co., Ltd. (中創新航科技(武漢)有限公司) (the "**Target**") as at 31 July 2025. The valuation is set out in the announcement of CALB Group Co., Ltd. (the "**Company**") dated 24 December 2025 (the "**Announcement**") in connection with the acquisition of 8.3155% equity shares of the Target. The valuation based on the Forecast is regarded as a profit forecast under paragraph 14.61 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

Directors' Responsibilities

The directors of the Company (the "**Directors**") are responsible for preparation of the Forecast in accordance with the bases and assumptions (the "**Assumptions**") determined by the Directors. This responsibility includes carrying out appropriate procedures relevant to the preparation of the discounted future cash flows for the Forecast and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Hong Kong Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant's Responsibility

Our responsibility is to express an opinion on the arithmetical accuracy of the calculations of the Forecast based on our work. The Forecast does not involve the adoption of accounting policies.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements other than Audits or Reviews of Historical Financial Information" issued by the HKICPA. This standard requires that we plan and perform our work to obtain reasonable assurance as to whether, so far as the arithmetical accuracy of the calculations are concerned, the Directors have properly compiled the Forecast in accordance with the Assumptions adopted by the Directors. Our work consisted primarily of checking the arithmetical accuracy of the calculations of the Forecast prepared based on the Assumptions made by the Directors. Our work is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We are not reporting on the appropriateness and validity of the Assumptions on which the Forecast are based and thus express no opinion whatsoever thereon. Our work does not constitute any valuation of the Target. The Assumptions used in the preparation of the Forecast include hypothetical assumptions about future events and management actions that may or may not occur. Even if the events and actions anticipated do occur, actual results are still likely to be different from the Forecast and the variation may be material. Our work has been undertaken for the purpose of reporting solely to you under paragraph 14.62(2) of the Listing Rules and for no other purpose. We accept no responsibility to any other person in respect of our work, or arising out of or in connection with our work.

Opinion

Based on the foregoing, in our opinion, so far as the arithmetical accuracy of the calculations of the Forecast is concerned, the Forecast has been properly compiled in all material respects in accordance with the Assumptions adopted by the Directors.

RSM Hong Kong
Certified Public Accountants
Hong Kong

24 December 2025

The following is the text of a letter from the Board, relating to the valuation, for, amongst other purposes, inclusion in this announcement.

24 December 2025

Listing Division
The Stock Exchange of Hong Kong Limited
12th Floor, Two Exchange Square
8 Connaught Place, Central, Hong Kong

Dear Sir or Madam,

CONNECTED TRANSACTION ACQUISITION OF 8.3155% EQUITY INTEREST IN WUHAN COMPANY

Reference is made to the announcement of CALB Group Co., Ltd. (the "**Company**") dated 24 December 2025 (the "**Announcement**"), of which this letter forms part. Unless the context requires otherwise, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

Reference is made to the Valuation Report dated 16 November 2025 in relation to the valuation of Wuhan Company prepared by the Independent Valuer. Since the asset-based approach and the income approach were adopted for the valuation, of which the income approach involved the use of discounted cash flows method, the valuation constitutes a profit forecast (the "**Profit Forecast**") under Rule 14.61 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

We have discussed with the Independent Valuer and reviewed the basis and assumptions upon which the Profit Forecast was prepared. We have also engaged RSM Hong Kong to report on the calculation of the discounted future cash flows used in the Valuation Report, and considered the report from RSM Hong Kong.

Based on the aforesaid, pursuant to the requirements of Rule 14.60A(3) of the Listing Rules, the board of directors (the "**Board**") of the Company confirmed that the Profit Forecast as contained in the Valuation Report has been made after due and careful enquiry.

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