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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 company incorporated in the People's Republic of China with limited liability)
(Stock Code: 3931)

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

References are made to the announcement of the Company dated November 12, 2025 and the circular dated December 4, 2025 in relation to, among others, the 2026 Sales Framework Agreement and the 2026 Entrusted Processing Framework Agreement entered into between the Company and Luoyang Company. These agreements will expire on December 31, 2026, and the Company expects such transactions to continue thereafter.

References are made to the announcements of the Company dated December 18, 2023 and July 1, 2026 in relation to, among others, the 2024 to 2026 Engineering and Construction Framework Agreement entered into between the Company and Jiangsu Chengdong Construction, pursuant to which Jiangsu Chengdong Construction and its subsidiaries will provide general contracting services for design, procurement, and construction for certain industrial parks or buildings of the Group for a term of three years commencing from January 1, 2024 to December 31, 2026. The Company expects such transactions to continue thereafter.

On November 27, 2026, the Board approved the entering into (i) the sales framework agreement (the "**2027 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 "**2027 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 January 1, 2027 to December 31, 2027.

On November 27, 2026, the Board approved the entering into the engineering and construction framework agreement (the "**2027 Engineering and Construction Framework Agreement**") between the Company (for itself and on behalf of the Group) and Jiangsu Chengdong Construction (for itself and on behalf of its subsidiaries), pursuant to which Jiangsu Chengdong Construction and its subsidiaries will provide general contracting services for design, procurement, and construction for certain industrial parks or buildings of the Group for a term of one year commencing from January 1, 2027 to December 31, 2027.

The 2027 Sales Framework Agreement and the 2027 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 holds 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 51% directly owned by Jincheng Technology, 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 2027 Sales Framework Agreement and the 2027 Entrusted Processing Framework Agreement will constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules, respectively.

As at the date of this announcement, Changzhou Zhongcheng Industrial Co., Ltd.* (常州眾成實業發展有限公司) (an indirect wholly-owned subsidiary of Jintan Holding) is entitled to exercise approximately 54.18% of the voting rights in Jiangsu Chengdong Construction; therefore, Jiangsu Chengdong Construction constitutes an associate of Jintan Holding as defined under the Listing Rules, and hence a connected person of the Company. Accordingly, the transactions contemplated under the 2027 Engineering and Construction Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the annual cap under the 2027 Sales Framework Agreement exceed 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 one or more of the applicable percentage ratios in respect of the annual cap under the 2027 Entrusted Processing Framework Agreement exceed 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 one or more of the applicable percentage ratios in respect of the annual cap under the 2027 Engineering and Construction Framework Agreement exceed 0.1% but are 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.

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 2027 Sales Framework Agreement and the 2027 Entrusted Processing Framework Agreement, and the continuing connected transactions contemplated thereunder (including the proposed annual cap). 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 the 2027 Sales Framework Agreement and the transactions contemplated thereunder (including the proposed annual cap), and the 2027 Entrusted Processing Framework Agreement and the transactions contemplated thereunder (including the proposed annual cap).

DESPATCH OF CIRCULAR

A circular containing, among other things, details of the transactions contemplated under the 2027 Sales Framework Agreement and the 2027 Entrusted Processing Framework Agreement, a letter of recommendation from the Independent Board Committee to the Independent Shareholders, a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders and the notice of EGM, is expected to be published on the websites of the Stock Exchange (**www.hkexnews.hk**) and the Company (**www.calb-tech.com**) no later than December 18, 2026, and will be despatched to the Shareholders who have already provided instructions indicating their preference to receive hard copies in due course.

References are made to the announcement of the Company dated November 12, 2025 and the circular dated December 4, 2025 in relation to, among others, the 2026 Sales Framework Agreement and the 2026 Entrusted Processing Framework Agreement entered into between the Company and Luoyang Company. These agreements will expire on December 31, 2026, and the Company expects such transactions to continue thereafter.

References are made to the announcements of the Company dated December 18, 2023 and July 1, 2026 in relation to, among others, the 2024 to 2026 Engineering and Construction Framework Agreement entered into between the Company and Jiangsu Chengdong Construction, pursuant to which Jiangsu Chengdong Construction and its subsidiaries will provide general contracting services for design, procurement, and construction for certain industrial parks or buildings of the Group for a term of three years commencing from January 1, 2024 to December 31, 2026. The Company expects such transactions to continue thereafter.

RENEWAL OF CONTINUING CONNECTED TRANSACTIONS

On November 27, 2026, the Board approved the entering into (i) the sales framework agreement (the "**2027 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 "**2027 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 January 1, 2027 to December 31, 2027.

On November 27, 2026, the Board approved the entering into the engineering and construction framework agreement (the "**2027 Engineering and Construction Framework Agreement**") between the Company (for itself and on behalf of the Group) and Jiangsu Chengdong Construction (for itself and on behalf of its subsidiaries), pursuant to which Jiangsu Chengdong Construction and its subsidiaries will provide general contracting services for design, procurement, and construction for certain industrial parks or buildings of the Group for a term of one year commencing from January 1, 2027 to December 31, 2027.

The 2027 Sales Framework Agreement and the 2027 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.

1. 2027 Sales Framework Agreement

(1) Principal Terms of the 2027 Sales Framework Agreement

Parties	a. the Company (for itself and on behalf of the Group); and b. Luoyang Company (for itself and on behalf of its associates).
Term of the agreement	From January 1, 2027 to December 31, 2027.
Subject	The Group will sell Lithium Batteries and related products (such as raw materials, semi-finished products, finished products) to Luoyang Company and its associates.
Payment arrangements	Details of the scope of the relevant products, the calculation of fees, payment methods and other service arrangements will be separately agreed by the relevant parties.
Conditions	The 2027 Sales Framework Agreement will take effect upon the fulfillment of the following conditions: • The 2027 Sales Framework Agreement has been executed with the seals of both Parties and approved through their respective internal decision-making procedures; and

- The Company has complied with the relevant requirements of the Listing Rules in relation to the 2027 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 2027 Sales Framework Agreement.

(2) 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 control measures 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.

(3) Historical Amount

In accordance with the 2026 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 RMB3,000 million for the year ending December 31, 2026.

For the nine months ended September 30, 2026, 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 2026 Sales Framework Agreement was approximately RMB2,215.84 million, with the utilization rate reaching approximately 73.86% of the existing annual cap, and the annual transaction amount for 2026 is expected to be nearly RMB3,000 million.

(4) 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 2027 Sales Framework Agreement will not exceed RMB3,000 million (exclusive of tax) for the year ending December 31, 2027.

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 September 30, 2026; (ii) the demand amount of Lithium Batteries and related products in 2027 as estimated and provided by Luoyang Company, which is basically comparable to that of 2026; and (iii) an approximate 5% to 10% buffer set for price changes of related products and possible market changes.

(5) Reasons for and Benefits of Entering into the 2027 Sales Framework Agreement

The Directors are of the view that the transactions under the 2027 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.

2. 2027 Entrusted Processing Framework Agreement

(1) Principal terms of the 2027 Entrusted Processing Framework Agreement

Parties	a. the Company (for itself and on behalf of the Group); and b. Luoyang Company (for itself and on behalf of Luoyang Group).
Term of the agreement	From January 1, 2027 to December 31, 2027.
Nature of transaction	The Company entrusts Luoyang Group for the provision of processing service of Lithium Batteries. Luoyang Group will be responsible for the raw materials, front line workers and technicians whose licences and qualifications are approved by us and completing the production and processing.
Payment methods and others	Details of the payment methods and other service arrangements will be separately agreed by the relevant parties. The standard payment methods are as follows: the Group will prepay a certain percentage of the processing fee, and the remaining balance shall be settled after assessing the actual quantity of qualified finished products after delivery by Luoyang Group, either via wire transfer or bank acceptance bill.
Quality control	Luoyang Group has the obligation to conduct strict inspections of the processed finished goods according to the quality control standards, and the Company will carry out reinspections based on the quality situation.
Licensing of patent	The Company grants Luoyang Group the right to use certain specified patents of the Company ("**Authorised Patents**") which are necessary for its provision of Lithium Batteries processing services. In this connection, Luoyang Group undertakes to only use the Authorised Patents for the purpose of the Lithium Batteries processing services under the 2027 Entrusted Processing Framework Agreement and that it shall not be entitled to use the Authorised Patents for other purposes or to license any other third party to use the Authorised Patents of the Company unless prior written consent is obtained from us.

Ownership of intellectual property rights

The intellectual property right(s) and the right(s) to apply for patents in relation to all documents, certificates, drawings and information provided by the Company and all such materials generated in the performance of the specific entrusted processing agreement shall belong to the Company.

Conditions

The 2027 Entrusted Processing Framework Agreement will take effect upon the fulfillment of the following conditions:

1) The 2027 Entrusted Processing Framework Agreement has been executed with the seals of both parties and approved through their respective internal decision-making procedures;

2) The Company has complied with the relevant requirements of the Listing Rules in relation to the 2027 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 2027 Entrusted Processing Framework Agreement.

(2) 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 neighbouring 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 2027 Entrusted Processing Framework Agreement.

The Board had reviewed at least two quotations from Independent Third Parties providing similar services. After considering the profit stipulated in the above quotations, the Board considers that a cost-plus margin of approximately 2% to 3% incurred from the processing services of Lithium Batteries entrusted by the Group to Luoyang Group under the 2027 Entrusted Processing Framework Agreement represents a reasonable profit. The Board is of the view that such arrangement is no less favourable to the Group than terms offered by Independent Third Parties and is fair and reasonable for the Company.

(3) Historical Amount

In accordance with the 2026 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 RMB6,000 million for the year ending December 31, 2026.

For the nine months ended 30 September 2026, the total service fees incurred from entrusted processing services provided by Luoyang Group to the Group under the 2026 Entrusted Processing Framework Agreement were approximately RMB3,857.48 million, with the utilization rate reaching approximately 64.29% of the existing annual cap, and the annual transaction amount for 2026 is expected to be nearly RMB6,000 million.

(4) Proposed Annual Cap and Basis for Determination

It is estimated that the fees to be incurred under the 2027 Entrusted Processing Framework Agreement will not exceed RMB6,000 million (exclusive of tax) for the year ending December 31, 2027.

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 September 30, 2026; (ii) the unit cost of processing and producing the Lithium Batteries; (iii) the prevailing market price for the provision of processing service in the same or neighbouring areas; (iv) the production capacity of Luoyang Group for processing relevant Lithium Batteries models in 2027 is expected to be basically comparable to that of 2026; (v) the expected annual production capacity of Luoyang Company; and (vi) an approximate 5%-10% buffer set for price changes of related products and services, and possible market changes. Due to non-compete undertakings, all the civil use production lines of Luoyang Group will be used for meeting the demands of the Company.

(5) Reasons for and Benefits of Entering into the 2027 Entrusted Processing Framework Agreement

The Directors are of the view that the transactions under the 2027 Entrusted Processing Framework Agreement are to the benefit of the Company because (i) Luoyang Company has mature and stable production lines, 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 non-compete undertakings in favour of each member of the Group and undertook that Luoyang Company cannot engage in the business of manufacturing, research and development and sales of the Lithium Batteries, unless the Company's demands for entrusted processing services for the Lithium Batteries have been satisfied and an express consent has been obtained from the Company. Such undertakings can effectively avoid potential competition from Luoyang Company; (iii) based on the previous transactions, both the Group and Luoyang Group 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.

(6) Quality control over the products of Luoyang Company

Before Luoyang Company starts production, the Company will provide Luoyang Company with the quality and technical requirements, such as the manufacturing process, examination standards on raw materials and quality standards. Before accepting Luoyang Company as an entrusted manufacturer, the Company has checked the quality assurance certificates of Luoyang Company granted by national-level qualification accreditation centers and reviewed the equipment and production sites of Luoyang Company to ensure its qualifications. In addition, the Company has checked the professional certifications of front-line workers and technicians of Luoyang Company to ensure that the workers possess necessary working qualifications. When accepting products, the Company will review and check the finished products. Luoyang Company is required to label each product batch with the producing factory, product name, number of product, model and specifications, quantity, production lot, date of production and QR code so that the Company can track each product if any quality issue arises. Each time when Luoyang Company delivers the products, it should provide the labels together with a testing result that should be consistent with the goods received by the Company. Luoyang Company should also identify, confirm and control the key and special processes during manufacturing and record such processes. If Luoyang Company fails to produce such records, the Company can refuse to accept the relevant products. Further, Luoyang Company should retain equipment to conduct examinations of the products and keep the examination records. Such equipment should be maintained regularly to ensure good operation. If Luoyang Company cannot perform the examination on the products, the Company will designate a national examination center to examine the products at the cost of Luoyang Company.

3. 2027 Engineering and Construction Framework Agreement

(1) Principal Terms of the 2027 Engineering and Construction Framework Agreement

Parties	a. the Company (for itself and on behalf of the Group); and b. Jiangsu Chengdong Construction (for itself and on behalf of its subsidiaries).
Term of the agreement	From January 1, 2027 to December 31, 2027.
Subject	Chengdong Construction Group will provide general contracting services for design, procurement, and construction for certain industrial parks or buildings of the Group. Details of the scope of the relevant services, the calculation of fees, payment methods and other service arrangements will be separately agreed by the relevant parties.

(2) Pricing Policy

The fees incurred for services provided by Jiangsu Chengdong Construction under the 2027 Engineering and Construction Framework Agreement will be determined through a tender process and with reference to the fees charged by relevant Independent Third Parties for providing similar engineering and construction services in the same or neighbouring regions in the ordinary and usual course of business. At least 3 contractors participated in the tender and the tender process complied with the relevant local regulations. Factors that were taken into consideration by the Company during the tender process included: (i) the terms of tender proposals offered by the participating bidders, including the tender prices and the responses to the tender terms; (ii) the background, qualifications and financial position of the participating bidders; (iii) the expected workload; (iv) the financial budget for the relevant service; and (v) the unit price under past tender contract and the charging standards prescribed by the national laws and regulations, and a bid price ceiling was set.

(3) Historical amount

In respect of the continuing connected transactions under the 2024 to 2026 Engineering and Construction Framework Agreement, for the two years ended December 31, 2024 and December 31, 2025, and the nine months ended September 30, 2026, the fees incurred for services provided by Chengdong Construction Group to the Group, including general contracting services for design, procurement, and construction for certain industrial parks or buildings of the Group, were approximately RMB383.34 million, RMB161.26 million and RMB958.88 million, respectively.

For the three years ended December 31, 2024, December 31, 2025 and December 31, 2026, the existing annual cap (excluding tax) for the fees to be incurred by the Group under the Supplemental Agreement, Supplemental Agreement II and Supplemental Agreement III to the 2024 to 2026 Engineering and Construction Framework Agreement are RMB400 million, RMB250 million and RMB1,600 million, respectively. Details are set out in the Company's announcements dated November 15, 2024, September 26, 2025 and July 1, 2026.

(4) Proposed Annual Cap and Basis for Determination

It is estimated that the fees to be incurred under the 2027 Engineering and Construction Framework Agreement in respect of the services provided by Chengdong Construction Group to the Group, including the general contracting services for design, procurement, and construction for certain industrial parks or buildings of the Group, will not exceed RMB850 million (exclusive of tax) for the year ending December 31, 2027.

In determining the proposed annual cap for the year ending December 31, 2027, the Board primarily considered the following factors:

a) For the nine months ended September 30, 2026, the fees incurred for services provided by Chengdong Construction Group to the Group, including general contracting services for design, procurement, and construction for certain industrial parks or buildings of the Group, were approximately RMB958.88 million, representing a utilization rate of approximately 59.93% of the existing annual cap for the year ending December 31, 2026. Based on the Group's current business progress, the utilization rate of the existing annual cap is expected to further increase to around 80% to 90%.

b) Benefiting from the rapid growth across the Group's business sectors and in light of the latest market demand, the Group has progressively commenced the construction of a number of production lines, among which, during the nine months ended September 30, 2026, the Group had several new construction projects undertaken by Chengdong Construction Group, with an aggregate contract value of approximately RMB2.0 billion. It is expected that the majority of the construction costs incurred in respect of the aforesaid projects will be settled during 2026, while the remaining construction costs are expected to be settled in subsequent years in line with the progress of the projects.

c) The Group plans to select contractors for the relevant new construction projects by way of public tendering or invited tendering processes. The qualified contractors, including but not limited to Chengdong Construction Group, may from time to time participate in the bidding process for the Group's construction projects, in accordance with the Group's tendering procedures and the same general terms as those offered to other Independent Third Parties. However, the outcome of the tendering process is inherently uncertain, and Chengdong Construction Group may or may not be successful in securing such tenders. In the event that any contract is awarded to Chengdong Construction Group as a result of the tender process, they will provide construction-related engineering services to the Group on the terms of the successful bid, provided that the contract amount on an aggregated basis shall not exceed the above proposed annual cap.

d) In determining the above annual cap, the Group has assumed, for planning purposes, that Chengdong Construction Group may be awarded the contracts for the projects in which they participate in the tendering process, primarily after taking into account the following factors. For the avoidance of doubt, such assumption does not represent any indication or assurance that Chengdong Construction Group will win any bid; it is made solely to ensure that the annual cap provides sufficient flexibility and to avoid any delay to the Group's business development arising from an underestimation of the annual cap:

    - **Potentially significant contract values of individual projects:** Certain production line construction projects currently identified or under planning by the Group involve relatively substantial construction investment amounts, and may therefore have a material impact on the utilization of the annual cap. Accordingly, whether Chengdong Construction Group wins the bid will directly affect the utilisation of the proposed annual cap in respect of the transaction amounts under the 2027 Engineering and Construction Framework Agreement; and

- **Avoiding delays arising from post-award annual cap revisions:** Under the relevant PRC tendering laws and regulations, the period between the issuance of a successful bid notice and the execution of the relevant construction contract is required to be within 30 days. However, any revision of the annual cap would be subject to the completion of applicable compliance procedures, including obtaining Board approval and, where applicable, independent Shareholders' approval, which may require a longer timeframe. Accordingly, if the annual cap was to be revised only after Chengdong Construction Group has been awarded a contract, it may not be practicable to complete such procedures in time to facilitate the timely execution of the relevant contracts, thereby potentially affecting project implementation and the Group's business development.

e) The contract amount payable by the Group to Chengdong Construction Group shall be determined in accordance with the payment terms specified in the tender documents for specific production line, project management, project consultancy, project design, and/or building materials supply contracts.

(5) Reasons for and Benefits of Entering into the 2027 Engineering and Construction Framework Agreement

General contracting services provided by Chengdong Construction Group for design, procurement, and construction of certain industrial parks or buildings of the Group align with the Group's expansion plan and are expected to have a positive impact on the Group's future performance. Accordingly, the Directors are of the view that the entering into the 2027 Engineering and Construction Framework Agreement is conducive to meeting the needs of the business growth and relevant construction projects of the Group, and is in the interests of the Company and its Shareholders as a whole.

INTERNAL CONTROL MEASURES

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

(1) The Company has established the Management System on Connected Transactions of the Company in accordance with the relevant requirements of Chapter 14A of the Listing Rules. The system covers core aspects including identification procedures, disclosure requirements, and ongoing monitoring mechanisms to ensure all connected transactions comply with the Listing Rules.

(2) The Board and various internal departments of the Company will be jointly responsible for controlling and managing the continuing connected transactions and for evaluating the terms under the relevant agreements for the continuing connected transactions, in particular the fairness of the pricing policies and annual cap (if applicable) under each transaction.

(i) each related business department of the Company, as the business initiator, is responsible for handling the continuing connected transaction agreements;

(ii) the finance department assesses the reasonableness of the amounts and existing annual cap of connected transactions and monitors the historical transaction amounts;

(iii) the internal control department monitors the tendering and price-comparison process to ensure that transaction terms are no less favourable than those offered by Independent Third Parties and comply with the principle of fairness;

(iv) the legal department conducts compliance reviews of contract terms to ensure that the contract complies with the Listing Rules and the Company's internal rules; and

(v) the Board, taking into account the actual operations of the Company, evaluates the principal terms of the agreements to ensure that the transactions meet the Company's business development needs, are lawful and compliant, and are in the interests of the Company and the Shareholders as a whole.

(3) the Board and the finance department of the Group will regularly monitor the connected transactions (including but not limited to monitoring transaction amounts under the relevant agreements to ensure that they do not exceed the annual cap):

(i) the finance department records and monitors the actual transaction amounts on a monthly basis, and performs rolling forecasts of the future monthly transaction amounts for all continuing connected transactions;

(ii) the Company has adopted an early warning system: when the aggregated transaction amounts of continuing connected transactions are expected to exceed 80% of the existing annual cap, the finance department will promptly notify the relevant business initiator to evaluate the implementation of such continuing connected transaction and, where appropriate, to revise the annual cap in a timely manner and complete the internal procedures in accordance with the Listing Rules; and

(iii) the management of the Company will review the proposed price to ensure that it is consistent with the pricing terms under the 2027 Sales Framework Agreement, the 2027 Entrusted Processing Framework Agreement and the 2027 Engineering and Construction Framework Agreement, and that the terms offered by connected persons to the Group are no less favourable than those offered by Independent Third Parties.

(4) The Company shall engage auditors to conduct, and the independent non-executive Directors will conduct an annual review of the continuing connected transactions to ensure that the transactions contemplated thereunder have been conducted pursuant to the requirements of the Listing Rules and have fulfilled the relevant disclosure requirements.

(5) The Company will comply with the relevant requirements under Chapter 14A of the Listing Rules for the continuing connected transactions.

(6) When considering entering into the 2027 Sales Framework Agreement, the 2027 Entrusted Processing Framework Agreement and the 2027 Engineering and Construction Framework Agreement, Directors and Shareholders with a material interest therein shall abstain from voting on the relevant resolution(s) to approve such transaction(s) at the Board meeting and the general meeting (as the case may be).

OPINION OF THE BOARD

The Directors (excluding the Independent Board Committee, whose views will be disclosed in the circular) are of the view that the 2027 Sales Framework Agreement and the transactions contemplated thereunder (including the proposed annual cap), as well as the 2027 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 on normal or better commercial terms, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Directors (including the independent non-executive Directors) are of the view that the 2027 Engineering and Construction Framework Agreement and the transactions contemplated thereunder (including the proposed annual cap) have been entered into in the ordinary and usual course of business of the Group on normal commercial terms, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Non-executive Directors Hu Jing and Li Jiancun hold key positions in Jintan Holdings and its close associates. Therefore, they have abstained from voting on the relevant Board resolutions approving (i) the 2027 Sales Framework Agreement; (ii) the 2027 Entrusted Processing Framework Agreement; and (iii) the 2027 Engineering and Construction Framework Agreement, and the continuing connected transactions thereunder (including the proposed annual cap). Save as disclosed above, none of the other Directors has material interests in the continuing connected transactions contemplated thereunder.

INFORMATION RELATING TO 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 October 6, 2022 (stock code: 3931). The Group is a high-technology new energy enterprise specializing in the development, manufacturing, sales, and market application development of lithium batteries, battery management systems and related integrated products, and lithium battery materials. As a specialist in 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.

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 knowledge, information and belief of the Directors having made all reasonable enquiries, the ultimate beneficial owner of Luoyang Company is the People's Government of Jintan District, Changzhou.

Jiangsu Chengdong Construction

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

LISTING RULES IMPLICATIONS

As at the date of this announcement, Jintan Holding directly and indirectly holds 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 51% directly owned by Jincheng Technology, 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 2027 Sales Framework Agreement and the 2027 Entrusted Processing Framework Agreement will constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules, respectively.

As at the date of this announcement, Changzhou Zhongcheng Industrial Co., Ltd.* (常州眾成實業發展有限公司) (an indirect wholly-owned subsidiary of Jintan Holding) is entitled to exercise approximately 54.18% of the voting rights in Jiangsu Chengdong Construction; therefore, Jiangsu Chengdong Construction constitutes an associate of Jintan Holding as defined under the Listing Rules, and hence a connected person of the Company. Accordingly, the transactions contemplated under the 2027 Engineering and Construction Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios in respect of the annual cap under the 2027 Sales Framework Agreement exceed 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 one or more of the applicable percentage ratios in respect of the annual cap under the 2027 Entrusted Processing Framework Agreement exceed 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 one or more of the applicable percentage ratios in respect of the annual cap under the 2027 Engineering and Construction Framework Agreement exceed 0.1% but are 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.

THE EGM

The Company will convene an EGM for the independent Shareholders to consider and, if thought fit, approve the 2027 Sales Framework Agreement and the transactions contemplated thereunder (including the proposed annual cap) and the 2027 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 the 2027 Sales Framework Agreement and the transactions contemplated thereunder (including the proposed annual cap) and the 2027 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 the 2027 Sales Framework Agreement and the transactions contemplated thereunder (including the proposed annual cap) and the 2027 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 the relevant 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 2027 Sales Framework Agreement and the 2027 Entrusted Processing Framework Agreement, and the continuing connected transactions contemplated thereunder (including the proposed annual cap). 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 the 2027 Sales Framework Agreement and the transactions contemplated thereunder (including the proposed annual cap), and the 2027 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 (which sets out further details of the 2027 Sales Framework Agreement and the transactions contemplated thereunder (including the proposed annual cap) and the 2027 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**) and the Company (**www.calb-tech.com**) no later than December 18, 2026, 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:

"2024 to 2026 Engineering and Construction Framework Agreement"	the 2024 to 2026 Engineering and Construction Framework Agreement dated January 4, 2024 and entered into between the Company (for itself and on behalf of the Group) and Jiangsu Chengdong Construction (for itself and on behalf of its subsidiaries), in relation to, among others, the provision of the general contracting services by Jiangsu Chengdong Construction and its subsidiaries for design, procurement, and construction for certain industrial parks or buildings of the Group for a term of three years commencing from January 1, 2024 to December 31, 2026
"2026 Entrusted Processing Framework Agreement"	the 2026 entrusted processing framework agreement dated November 14, 2025 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 January 1, 2026 to December 31, 2026
"2026 Sales Framework Agreement"	the 2026 sales framework agreement dated November 14, 2025 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 January 1, 2026 to December 31, 2026
"2027 Entrusted Processing Framework Agreement"	the 2027 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 January 1, 2027 to December 31, 2027
"2027 Sales Framework Agreement"	the 2027 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 January 1, 2027 to December 31, 2027

"2027 Engineering and Construction Framework Agreement"	the 2027 Engineering and Construction Framework Agreement to be entered into between the Company (for itself and on behalf of the Group) and Jiangsu Chengdong Construction (for itself and on behalf of its subsidiaries), in relation to, among others, the provision of the general contracting services by Jiangsu Chengdong Construction and its subsidiaries for design, procurement, and construction for certain industrial parks or buildings of the Group for a term of one year commencing from January 1, 2027 to December 31, 2027
"associate(s)"	has the same meaning ascribed to it under the Listing Rules
"Board"	the board of Directors of the Company
"Company", "we", or "us"	CALB Group Co., Ltd. (中創新航科技集團股份有限公司), the H Shares of which are listed on the Stock Exchange (stock code: 3931)
"connected person(s)"	has the same meaning ascribed to it under the Listing Rules
"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 2027 Sales Framework Agreement, 2027 Entrusted Processing Framework Agreement and the transactions contemplated thereunder (including the proposed annual cap) or any adjournment thereof
"ESS"	A device that can store and output power, comprising multiple subsystems such as battery system and energy management system
"ESS products"	batteries applied to energy storage scenarios
"EV" or "electric vehicle"	the battery electric vehicle (BEV) used for the carriage of passengers
"EV batteries"	batteries that provide power to new energy vehicles (NEV)
"Group"	the Company and its subsidiaries
"H Share(s)"	overseas-listed foreign shares in the share capital of the Company with a nominal value of RMB1.00 each, traded in Hong Kong dollars and listed on the 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 2027 Sales Framework Agreement, 2027 Entrusted Processing Framework Agreement and the transactions contemplated thereunder (including the proposed annual cap)
"Independent Financial Adviser" or "Somerley Capital"	Somerley Capital Limited, the independent financial adviser to be appointed to advise the Independent Board Committee and the independent Shareholders in respect of the 2027 Sales Framework Agreement, 2027 Entrusted Processing Framework Agreement and the transactions contemplated thereunder (including the proposed annual cap)
"Independent Shareholder(s)"	Shareholders who are not required to abstain from voting at the extraordinary general meeting on the resolution(s) to approve the relevant agreements and the transactions contemplated thereunder (including the proposed annual cap)
"Independent Third Party(ies)"	any entity(ies) or individual(s) that, to the best knowledge, information, and belief of the Directors, is/are not connected person(s) of the Company within the meaning of the Listing Rules
"Jiangsu Chengdong Construction"	Jiangsu Chengdong Construction Projects Co., Ltd. (江蘇城東建設工程有限公司), a company established in the PRC with limited liability, in which Changzhou Zhongcheng Industrial Co., Ltd.* (常州眾成實業發展有限公司) (an indirect wholly owned subsidiary of Jintan Holding) is entitled to exercise approximately 54.18% of the voting rights; therefore, Jiangsu Chengdong Construction is an associate of Jintan Holding and a connected person of the Company
"Chengdong Construction Group"	Jiangsu Chengdong Construction and its subsidiaries
"Jincheng Technology"	Jiangsu Jintan Jincheng Technology Industry Development Co., Ltd.* (江蘇金壇金城科技產業發展有限公司), a company established under the laws of the PRC with limited liability on December 7, 2015 and wholly owned by Jintan Holding, a connected person of the Company

"Jintan Group"	Changzhou Jinsha Technology Investment Co., Ltd.* (常州金沙科技投資有限公司), Changzhou Huake Engineering Construction Co., Ltd.* (常州華科工程建設有限公司), Changzhou Huake Technology Investment Co., Ltd. * (常州華科科技投資有限公司), Jiangsu Jintan National Development International Investment Development Co., Ltd.* (江蘇金壇國發國際投資發展有限公司), Jiangsu Jintan Hualuogeng Technology Industry Development Co., Ltd. * (江蘇金壇華羅庚科技產業發展有限公司), Changzhou Changjin New Energy Partnership (Limited Partnership) * (常州常金新能源合夥企業(有限合夥)) and Jintan Holding
"Jintan Holding"	Jiangsu Jintan Investment Holding Co., Ltd. (江蘇金壇投資控股有限公司), a company established under the laws of the PRC with limited liability on September 16, 2014 and wholly owned by the People's Government of Jintan District, Changzhou City, and a connected person of the Company
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Lithium Batteries"	EV battery products for civil use and energy storage system (ESS) products
"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 51% directly owned by Jincheng Technology, therefore constitutes a connected person of the Company
"Luoyang Group"	Luoyang Company and its subsidiaries
"PRC"	the People's Republic of China
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary share(s) in the share capital of the Company with a nominal value of RMB1.00 each
"Shareholder(s)"	shareholder(s) of the Company
"subsidiary(ies)"	has the same meaning ascribed to it under the Listing Rules
"Supplemental Agreement"	a supplemental agreement dated November 20, 2024 to the 2024 to 2026 Engineering and Construction Framework Agreement entered into between the Company (for itself and on behalf of the Group) and Jiangsu Chengdong Construction (for itself and on behalf of its subsidiaries), regarding the revision of the annual cap under the 2024 to 2026 Engineering and Construction Framework Agreement

"Supplemental Agreement II"	the supplemental agreement II dated September 28, 2025 to the 2024 to 2026 Engineering and Construction Framework Agreement entered into between the Company (for itself and on behalf of the Group) and Jiangsu Chengdong Construction (for itself and on behalf of its subsidiaries), regarding the revision of the annual cap under the 2024 to 2026 Engineering and Construction Framework Agreement
"Supplemental Agreement III"	the supplemental agreement III dated July 2, 2026 to the 2024 to 2026 Engineering and Construction Framework Agreement entered into between the Company (for itself and on behalf of the Group) and Jiangsu Chengdong Construction (for itself and on behalf of its subsidiaries), regarding the revision of the annual cap under the 2024 to 2026 Engineering and Construction Framework Agreement
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"%"	per cent

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

Changzhou, PRC
November 27, 2026

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.