HONBRIDGE HOLDINGS LIMITED

(Incorporated under the laws of the Cayman Islands with limited liability)

(Stock Code: 8137)

CONTINUING CONNECTED TRANSACTION
BAUXITE PURCHASE FRAMEWORK AGREEMENT

ENTERING INTO THE BAUXITE PURCHASE FRAMEWORK AGREEMENT

The Board announces that on 27 January 2025 (after trading hours), the Company and Geely Technology entered into the Bauxite Purchase Framework Agreement, pursuant to which Geely Technology Group shall sell and deliver to the Group, or procure the sale and delivery to the Group of, and the Group shall purchase from Geely Technology Group, bauxite related products in accordance with the terms and conditions thereunder.

GEM LISTING RULES IMPLICATION

As at the date of this announcement, Hong Bridge Capital holds approximately 33.99% of the total issued shares of the Company and Hong Bridge Capital is an indirect subsidiary of Geely Technology. Hong Bridge Capital and Geely Technology are ultimately controlled by Mr. Li, the controlling shareholder of the Company. Thus, Geely Technology is a connected person of the Company.

Accordingly, the transaction contemplated under the Bauxite Purchase Framework Agreement constitutes continuing connected transactions of the Company. As one or more of the applicable percentage ratios set out in the GEM Listing Rules calculated based on the Purchase Annual Caps under the Bauxite Purchase Framework Agreement are more than 5%, the Bauxite Purchase Framework Agreement is subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

GENERAL

The EGM will be convened and held for the Independent Shareholders to consider, and if thought fit, approve, among other matters, the Bauxite Purchase Framework Agreement and the transactions contemplated thereunder, including the Purchase Annual Caps.

The Independent Board Committee comprising all the independent non-executive Directors has been established to advise the Independent Shareholders in relation to the Bauxite Purchase Framework Agreement (including the Purchase Annual Caps). An Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among other things, (i) further information of the Bauxite Purchase Framework Agreement and the transactions contemplated thereunder (including the Purchase Annual Caps); (ii) a letter from the Independent Board Committee to the Independent Shareholders in relation to the aforesaid; (iii) a letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders in relation to the aforesaid; and (iv) a notice convening the EGM, will be despatched to the Shareholders on or before 20 February 2025.

THE BAUXITE PURCHASE FRAMEWORK AGREEMENT

The principal terms of the Bauxite Purchase Framework Agreement are set out as follows:

Date

27 January 2025 (after trading hours)

Parties

(i) the Company

(ii) Geely Technology

Term

From the Effective Date to 31 December 2027

Subject matters

Pursuant to the Bauxite Purchase Framework Agreement, Geely Technology Group shall supply bauxite related products to the Group. The exact type and amount of goods supplied to the Group by Geely Technology Group and the dates of delivery will be provided in separate purchase orders.

Pricing basis

The price of the products under the Bauxite Purchase Framework Agreement will be negotiated on an arm's length basis and determined in the ordinary course of business on normal commercial terms or on terms no less favourable to the Group than those offered by independent third parties, and will be specified in individual purchase orders. The above-mentioned product prices will be determined by reference to, among others, the costs of the bauxite related products incurred by Geely Technology Group, and the market price of the same or similar products under the Bauxite Purchase Framework Agreement.

Payment terms

The Group shall pay Geely Technology Group for the products in cash five (5) days before delivery and the amount to be paid shall be calculated in accordance with the agreed amount of the products to be supplied in the current batch and the agreed unit price. Geely Technology Group will only deliver the products up to the amount covered by the advance payment paid by the Group. If there is any surplus from the advance payment made by the Group in the same month, the remaining advance payment (interest-free) shall be regarded as part of the advance payment for the next batch of products. If the Company fails to pay the advance payment as agreed, Geely Technology Group shall have the right to suspend supplying the products until the Group settles such relevant amount.

Conditions precedent

The Bauxite Purchase Framework Agreement shall only become effective upon the Company having completed all necessary internal procedures (including obtaining approval of the Shareholders and/or the Board in accordance with the GEM Listing Rules), and having obtained all necessary approvals and consents from the Stock Exchange and other third parties (including relevant regulatory authorities, government or official authorities).

Proposed Purchase Annual Caps for the Bauxite Purchase Framework Agreement

There has been no historical transaction in relation to the purchase of bauxite related products by the Group from Geely Technology Group.

It is expected that for the period ending 31 December 2025, and for the years ending 31 December 2026 and 2027, the Group purchasing bauxite related products from Geely Technology Group will not exceed the following respective amounts and such amounts have been set as the proposed caps for the relevant continuing connected transactions contemplated under the Bauxite Purchase Framework Agreement accordingly:

	For the period from the Effective Date to 31 December 2025	**For the year ending 31 December 2026**	**For the year ending 31 December 2027**
	RMB'000	*RMB'000*	*RMB'000*
Proposed Purchase Annual Caps	300,000	370,000	370,000

The proposed Purchase Annual Caps were determined based on:

(i) the estimated purchase volume of bauxite related products for the period ending 31 December 2025 (assuming the Effective Date shall be on or about March 2025), for the year ending 31 December 2026 and 2027 respectively with reference to the expected demand of the Group's customers;

(ii) the estimated production capacity of Geely Technology Group for bauxite related products;

(iii) the current and forecast transaction price of bauxite related products; and

(iv) the inclusion of a buffer in the estimated amount of the bauxite related products required by the Group so as to accommodate any unexpected increase in the aforesaid transaction amount (as a result of any unexpected increase in market demand) or unexpected increase in the cost of bauxite related products.

Should the actual annual purchase amount exceed the above proposed Purchase Annual Caps, the Company will revise the Purchase Annual Caps in compliance with the relevant requirements under Chapter 20 of the GEM Listing Rules.

REASONS FOR AND BENEFITS OF ENTERING INTO THE BAUXITE PURCHASE FRAMEWORK AGREEMENT

Geely Technology Group is engaged in various businesses, including the sale of bauxite related products under its new materials business segment. It received ownership and mining rights in a bauxite mine in Baise City in Guangxi Province in the PRC with an estimated annual production capacity of bauxite of two million tonnes.

The Group has been engaged in mineral resources exploration since around 2010 with substantial experience and extensive network in this field. Although the Group is currently focused on the exploration and exploitation of iron ores, it has decided to expand its focus to include bauxite, the raw material to produce aluminium, considering that it also has substantial experience with various other metals and ores including copper and steel. The Group's senior management, in particular the Directors Mr. Liu Wei, William and Mr. Yan Weimin, also have many years of experience in businesses engaged in the trading of non-ferrous metals or mineral products. Taking into account the high level of competition in the market for lithium-ion power batteries and other challenges in the industry and the expected increase in demand for aluminium products in transportation, construction packaging and the electrical sectors, the Company believes that securing a stable source of bauxite related products from a reputable source and at competitive prices would help facilitate the Group's further development in this segment.

The transactions contemplated under the Bauxite Purchase Framework Agreement between the Company and Geely Technology will be conducted in the ordinary and usual course of business of the Group. Given (i) the Group has been able to rely on its own assets, facilities, staff, network and financial resources to operate its resources exploration and exploitation business independently from the Geely Technology Group; (ii) the Group is expected to be able to purchase bauxite related products from independent third-party suppliers in the market; and (iii) the mutually beneficial relationship between the Company and Geely Technology as the Company is able to tap into its experience in resources exploration and exploitation and its network of customers for the sale of such products, the Company considers that there is no undue reliance on Geely Technology by the Company as a result of its business relationships under the Bauxite Purchase Framework Agreement. Instead, entering into the Bauxite Purchase Framework Agreements will allow the Group to capture the synergy between Geely Technology Group and the Group, and contribute to the operational and business development of the Group in the resources exploration and exploitation business.

In view of the above-mentioned reasons and taking into account: (i) the estimated purchase amount of bauxite related products for the period ending 31 December 2025 and each of the years ending 31 December 2026 and 31 December 2027 respectively; (ii) the expected sale of bauxite related products by the Group for the period ending 31 December 2025 and each of the years ending 31 December 2026 and 2027; and (iii) the current and forecast transaction price of bauxite, the Directors (excluding the independent non-executive Directors whose views will be given after considering the advice of the Independent Financial Adviser) are of the view that the Bauxite Purchase Framework Agreement was entered into in the ordinary course of the Group's business and on normal commercial terms or on terms no less favourable to the Company than those offered by independent third parties, and the terms and Purchase Annual Caps set out in the Bauxite Purchase Framework Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INTERNAL CONTROL MEASURES

In order to comply with the pricing basis of the Bauxite Purchase Framework Agreement and safeguard the interests of the Shareholders as a whole, the Company will take the following internal control measures.

The Group has formulated internal control measures to track, monitor and evaluate the transaction amounts under the Bauxite Purchase Framework Agreement on a regular basis, so as to ensure the Purchase Annual Caps are not exceeded. The Group has also put in place relevant procedures and relevant steps to regularly monitor the prevailing market prices of bauxite related products to ensure the proper determination of the purchase price of bauxite related products to be purchased from Geely Technology Group. The Group will negotiate the terms of such transactions to ensure that prices are fair and reasonable as set out in the Bauxite Purchase Framework Agreement.

The independent non-executive Directors will also conduct a review on all continuing connected transactions each year and confirm that the transactions have been conducted in the ordinary and usual course of business of the Group, on normal commercial terms or better, and in accordance with the agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

The Company will also engage its independent auditors to report on transactions under the Bauxite Purchase Framework Agreement at the end of the financial year. The independent auditors will review and confirm in the annual report whether transactions under the Bauxite Purchase Framework Agreement have been approved by the Board, are in compliance with the pricing policies of the relevant agreement governing the transactions, and have not exceeded the relevant Purchase Annual Caps.

INFORMATION ON THE PARTIES

The Group

The Group is principally engaged in (i) research & development and production of lithium-ion power batteries for new energy vehicles; (ii) provision of online car hailing services in Europe; and (iii) investment in the field of resources such as iron ore resources and resources exploration and exploitation.

Geely Technology

Geely Technology is a company established in the PRC and controlled by Mr. Li, the controlling shareholder of the Company. Geely Technology's core businesses include new materials, new energy, and motorcycle travel culture. It also makes strategic investments in electric vertical take-off and landing (eVTOL) aircraft, commercial aerospace, and innovation incubation businesses.

IMPLICATIONS UNDER THE GEM LISTING RULES

As at the date of this announcement, Hong Bridge Capital holds approximately 33.99% of the total issued shares of the Company and Hong Bridge Capital is an indirect subsidiary of Geely Technology. Hong Bridge Capital and Geely Technology are ultimately controlled by Mr. Li, the controlling shareholder of the Company. Thus, Geely Technology is a connected person of the Company.

Accordingly, the transaction contemplated under the Bauxite Purchase Framework Agreement constitutes continuing connected transactions of the Company. As one or more of the applicable percentage ratios set out in the GEM Listing Rules calculated based on the Purchase Annual Caps under the Bauxite Purchase Framework Agreement are more than 5%, the Bauxite Purchase Framework Agreement is subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

Mr. Xu Zhihao, Mr. Xu Bing, Mr. Chen Shengjie and Ms. Gu Wenting, each being an executive Director of the Company, are currently taking position in Geely Technology Group. In order to avoid the perception of a conflict of interest, each of them abstained from voting on the board resolutions in relation to the Bauxite Purchase Framework Agreement and the Purchase Annual Caps. To the best of the Director's knowledge, information and belief, having made all reasonable enquires, except Mr. Xu Zhihao, Mr. Xu Bing, Mr. Chen Shengjie and Ms. Gu Wenting, none of the Directors is materially interested in the Bauxite Purchase Framework Agreement, and therefore none of the

Directors is required to abstain from voting on the Board resolutions to approve the Bauxite Purchase Framework Agreement and the transactions contemplated thereunder (including the Purchase Annual Caps).

GENERAL

The EGM will be convened and held for the Independent Shareholders to consider, and if thought fit, approve, among other matters, the Bauxite Purchase Framework Agreement and the transactions contemplated thereunder, including the Purchase Annual Caps.

The Independent Board Committee comprising all the independent non-executive Directors has been established to advise the Independent Shareholders in relation to the Bauxite Purchase Framework Agreement (including the Purchase Annual Caps). An Independent Financial Adviser has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

Voting at the EGM will be conducted by way of poll. As at the date of this announcement, Hong Bridge Capital, Mr. Li, Euro American International Investment Group Limited, Geely International (Hong Kong) Limited and Mr. Xu Zhihao, held 3,349,699,000 Shares, 103,064,000 Shares, 50,000,000 Shares, 1,850,675,675 Shares and 222,000,000 Shares, representing approximately 33.99%, 1.05%, 0.51%, 18.78% and 2.25% of the total issued share capital of the Company, respectively. As Mr. Li is considered to be interested in the Bauxite Purchase Framework Agreement, Mr. Li and his associates will abstain from voting on the resolutions approving the Bauxite Purchase Framework Agreement and the transactions contemplated thereunder (including the Purchase Annual Caps) at the EGM. In order to avoid the perception of a conflict of interest, Mr. Xu Zhihao will also abstain from voting on the aforesaid resolutions at the EGM.

A circular containing, among other things, (i) further information of the Bauxite Purchase Framework Agreement and the transactions contemplated thereunder (including the Purchase Annual Caps); (ii) a letter from the Independent Board Committee to the Independent Shareholders in relation to the aforesaid; (iii) a letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders in relation to the aforesaid; and (iv) a notice convening the EGM, will be despatched to the Shareholders on or before 20 February 2025.

DEFINITIONS

In this announcement, the following expressions shall have the following respective meanings:

"associate(s)"	has the meaning ascribed to it under the GEM Listing Rules
"Bauxite Purchase Framework Agreement"	the bauxite purchase framework agreement dated 27 January 2025 entered between the Company and Geely Technology in relation to the sale and purchase of bauxite related products
"Board"	the board of Directors
"Company"	Honbridge Holdings Limited, a company incorporated in the Cayman Islands with limited liability whose shares are listed on the GEM (Stock code: 8137)
"connected person"	has the meaning ascribed to it under the GEM Listing Rules
"controlling shareholder"	has the meaning ascribed to it under the GEM Listing Rules
"Director(s)"	the director(s) of the Company
"Effective Date"	the date on which the conditions precedent under the Bauxite Purchase Framework Agreement are fulfilled
"EGM"	an extraordinary general meeting of the Company to be held for the Independent Shareholders to consider and, if thought fit, approve the Bauxite Purchase Framework Agreement, the Purchase Annual Caps and the transactions contemplated thereunder
"Geely Technology"	Geely Technology Group Co., Ltd.* (吉利科技集團有限公司), a company established in the PRC and controlled by Mr. Li
"Geely Technology Group"	Geely Technology and its subsidiaries
"GEM"	the GEM of the Stock Exchange
"GEM Listing Rules"	the Rules Governing the Listing of Securities on the GEM
"Group"	the Company and its subsidiaries

"Hong Bridge Capital"	Hong Bridge Capital Limited, a company incorporated in the British Virgin Islands with limited liability and controlled by Mr. Li
"Hong Kong"	Hong Kong Special Administrative Region of the PRC
"Independent Board Committee"	the independent committee of the Board, comprising Mr. Chan Chun Wai, Tony, Mr. Ma Gang and Mr. Ha Chun, all of whom are independent non-executive Directors, to be formed to advise the Independent Shareholders as to the Bauxite Purchase Framework Agreement and the transactions contemplated thereunder (including the Purchase Annual Caps)
"Independent Financial Adviser"	Ballas Capital Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO and the independent financial adviser appointed for the purpose of advising the Independent Board Committee and the Independent Shareholders as to the Bauxite Purchase Framework Agreement and the transactions contemplated thereunder (including the Purchase Annual Caps)
"Independent Shareholders"	Shareholders who are not required to abstain from voting at the EGM to approve the Bauxite Purchase Framework Agreement, the Purchase Annual Caps and the transactions contemplated thereunder
"Mr. Li"	Mr. Li Shufu, a controlling shareholder of the Company who together with his spouse and companies controlled by them, holds directly and indirectly approximately 54.33% interest in the Company as at the date of this announcement
"PRC"	the People's Republic of China, and for the purposes of this announcement excluding Hong Kong, the Macau Special Administrative Region and Taiwan
"Purchase Annual Caps"	the proposed maximum transaction amount payable by the Group under the Bauxite Purchase Framework Agreement for each of the year/period
"RMB"	Renminbi, the lawful currency of the PRC

"Shareholder(s)"	the holder(s) of the share(s) of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"%"	per cent

* The English translation of the Chinese name is for identification purposes only and should not be regarded as the official English translation of such name.

If there is any inconsistency in this announcement between the Chinese and English versions, the English version shall prevail.

On behalf of the Board
Honbridge Holdings Limited
Xu Zhihao
Chairman

Hong Kong, 27 January 2025

As at the date of this announcement, the Board comprises Mr. Xu Zhihao, Mr. Xu Bing, Mr. Chen Shengjie, Ms. Gu Wenting and Mr. Liu Wei, William, as executive Directors; Mr. Yan Weimin as non-executive Director and Mr. Chan Chun Wai, Tony, Mr. Ma Gang and Mr. Ha Chun as independent non-executive Directors.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Listed Company Information" page of the website of the Stock Exchange at www.hkexnews.hk for at least 7 days from the date of its publication and on the website of the Company at www.8137.hk.