中漆集團有限公司
CPM GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1932)

PROFIT ALERT
REDUCTION IN OPERATING LOSS

This announcement is made by the board (the "**Board**") of directors (the "**Directors**") of CPM Group Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board wishes to inform the shareholders of the Company (the "**Shareholders**") and prospective investors of the Company that based on the preliminary information currently available to the Board which includes, but without limitation to, the unaudited consolidated management accounts of the Group for the six months ended 30 June 2026 (the "**2026 Six-month Period**"), the loss attributable to the Shareholders for the 2026 Six-month Period is expected to decrease by 28% to 35%, to the amount between HK$19.00 million and HK$21.00 million, as compared with the same of HK$29.15 million for the six months ended 30 June 2025. The decrease in the estimated amount of the loss attributable to the Shareholders for the 2026 Six-month Period was primarily due to the following principal factors:

(i) the increase in sales of paint and coating products of the Group during the 2026 Six-month Period due to higher demand for industrial paint and coating products in Mainland China, aided by the restructuring of the Hong Kong sales team and an improved sales mix. This led to higher gross profit and a higher gross profit margin for the 2026 Six-month Period; and

(ii) the recovery of certain aged outstanding trade and bills receivables by the Group during the 2026 Six-month Period, which caused a reversal of provision for impairment of trade and bills receivables accordingly.

These positive factors, however, were partially offset by the increases in fair value losses of investment properties and administrative expenses. There were also other factors affecting the operating results of the Group for the 2026 Six-month Period, details of which will be included in the results announcement of the Company for the 2026 Six-month Period.

The Company is in the process of finalising the results of the Group for the 2026 Six-month Period. The above estimated amount of loss is only based on the preliminary information currently available to the Board and the unaudited consolidated management accounts of the Group which has yet to be reviewed or confirmed by the independent external auditor of the Company, nor is it reviewed by the audit committee of the Board. Hence, the above estimated amount of loss may be different from the unaudited consolidated results of the Group for the 2026 Six-month Period. The results announcement of the Company for the 2026 Six-month Period will be published by the Company by the end of August 2026 in full compliance with the requirements under the Listing Rules.

Shareholders and prospective investors of the Company are advised to exercise caution when dealing in the shares of the Company.

On behalf of the Board
CPM Group Limited
Tsui Ho Chuen, Philip
Chairman and Managing Director

Hong Kong, 5 August 2026

As at the date of this announcement, the Board comprises Mr. Tsui Ho Chuen, Philip, and Mr. Li Guangzhong as executive Directors; Mr. Mak Chi Wah as non-executive Director; and Mr. Chua Joo Bin, Mr. Xia Jun and Ms. Meng Jinxia as independent non-executive Directors.