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GRANT OF SHARE OPTIONS

The Board wishes to announce that, subject to the acceptance of the Grantees, an aggregate of 80,000,000 Options to subscribe for up to 80,000,000 Shares have been granted to eight Grantees on 15 June 2022 under the Share Option Scheme.

This announcement is made by the board (the “**Board**”) of directors (the “**Director(s)**”) of CPM Group Limited (the “**Company**” together with its subsidiaries, the “**Group**”) pursuant to Rule 17.06A of The Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

On 15 June 2022, being the date of grant, all Directors (including all independent non-executive Directors, except for the Directors who are required to abstain from voting because of receiving the grant of the share options (the “**Options**”)) have approved the granting of an aggregate of 80,000,000 Options to subscribe for up to the same number of the ordinary shares of HK\$0.10 each (the “**Share(s)**”) in the share capital of the Company to eight grantees (the “**Grantees**”) who are either Directors or employees of the Group. The Options granted are subject to the acceptance of the Grantees and issued under the share option scheme (the “**Share Option Scheme**”) adopted by the Company on 4 June 2020. The following sets forth a summary of the principal terms and conditions of the grant of the Options:

Date of grant of the Options	:	15 June 2022
Number of the Options granted	:	80,000,000 Options granted to eight Grantees, each of 10,000,000 Options

Exercise price of the Options granted : Each of HK\$0.335, representing the highest of:

- (a) the closing price of HK\$0.335 per Share as stated in the daily quotations sheet of the Stock Exchange on the date of grant of the Options;
- (b) the average closing price of HK\$0.335 per Share as stated in the daily quotations sheets of the Stock Exchange for the five business days immediately preceding the date of grant of the Options, i.e. 15 June 2022; and
- (c) the nominal value of the Share.

Validity period of the Options : The Options granted to the Grantees are valid for a period from the date of grant of the Options to 14 June 2027 and the Options not exercised on the last date of the exercise period shall lapse.

Subject to acceptance by the Grantees and all other conditions of vesting as stated in his/her offer letter of the Options, if applicable, have been satisfied, the Options granted shall vest and would be exercisable as follows:

- (a) 50% of the Options shall vest on and would be exercisable from the date of grant of the Options, i.e. 15 June 2022;
- (b) 20% of the Options shall vest on one day before the first anniversary of the date of grant of the Options, i.e. 14 June 2023 and would be exercisable from 15 June 2023;
- (c) 10% of the Options shall vest on one day before the second anniversary of the date of grant of the Options, i.e. 14 June 2024 and would be exercisable from 15 June 2024;

- (d) 10% of the Options shall vest on one day before the third anniversary of the date of grant of the Options, i.e. 14 June 2025 and would be exercisable from 15 June 2025; and
- (e) the remaining 10% of the Options shall vest on one day before the fourth anniversary of the date of grant of the Options, i.e. 14 June 2026 and would be exercisable from 15 June 2026.

Cessation of employment : All unexercised Options will lapse on the date of cessation of employment with the Group for whatever reasons, subject to detailed provisions in the Share Option Scheme.

Among the aggregate of the 80,000,000 Options granted, 10,000,000 Options have been granted to each of Mr. Tsui Ho Chuen, Philip, being an executive Director and managing Director, and Mr. Li Guangzhong, being an executive Director and sales Director, and Mr. Chong Chi Kwan, being a non-executive Director. Each of the other five Grantees, who are the employees of the Group, has been granted 10,000,000 Options.

Pursuant to Rule 17.04(1) of the Listing Rules, the grant of the Options to each of the above Directors has been approved by the independent non-executive Directors.

Save as disclosed in this announcement, none of the Grantees is a Director, chief executive or substantial shareholder of the Company and their respective associates (as defined in the Listing Rules).

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

Hong Kong, 15 June 2022

As at the date of this announcement, the Board comprises Mr. Tsui Ho Chuen, Philip, Mr. Li Guangzhong and Mr. Wong Anders as executive Directors, Mr. Lam Ting Ball, Paul and Mr. Chong Chi Kwan as non-executive Directors, and Ms. Chiu Kam Hing, Kathy, Mr. Chua Joo Bin and Mr. Xia Jun as independent non-executive Directors.