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SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE 2022 ANNUAL REPORT

This announcement is made by the board (the “**Board**”) of directors (the “**Directors**”) of CNT Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on certain supplemental information to the current disclosure in the annual report of the Company for the year ended 31 December 2022 (the “**2022 Annual Report**”). Unless the context otherwise requires, the capitalised terms used herein shall have the same meaning as those defined and used in the 2022 Annual Report.

The following sets forth the supplemental information to the 2022 Annual Report on the share option schemes adopted by the Company and a subsidiary of the Company pursuant to Rules 17.07 and 17.09 of the Listing Rules.

“Share option scheme adopted by the Company on 28 June 2012 (the “2012 Scheme”)

As at 1 January 2022, the number of share options available for grant under the 2012 Scheme was 188,840,569 share options. The 2012 Scheme had a duration of 10 years and was terminated by the Shareholders on 2 June 2022. There was no service provider sublimit set under the 2012 Scheme. As at 31 December 2022, no share option could be granted under the 2012 Scheme as it was terminated.

Any offer under the 2012 Scheme shall remain open for acceptance by the relevant eligible participant for a period of 21 days from the date of the offer or such longer or shorter period as the Board may specify from and inclusive of the offer date.

Share option scheme adopted by the Company on 2 June 2022 (the “2022 Scheme”)

The 2022 Scheme has been adopted by the Company on 2 June 2022 and as such, there was no share option available for grant thereunder as at 1 January 2022. As at 31 December 2022, the number of share options available for grant under the 2022 Scheme was 190,368,569 share options. There was no service provider sublimit set under the 2022 Scheme.

Any offer under the 2022 Scheme shall remain open for acceptance by the relevant eligible participant not later than 21 days from the date of the offer or such longer or shorter period as the Board may specify from and inclusive of the offer date.

Remuneration committee (the “CNT Remuneration Committee”) of the Board

The primary objectives and duties of the CNT Remuneration Committee are set forth in its terms of reference adopted in compliance with the requirements under the CG Code, which include, inter alia, making recommendations to the Board on the remuneration policy and structure for all the Directors and the senior management of the Company and on the establishment of a set of formal and transparent procedures for developing its remuneration policy and reviewing and approving matters related to share option schemes. During the year ended 31 December 2022, the CNT Remuneration Committee has reviewed and approved the remuneration policy, the remuneration packages of the Directors and the adoption of the 2022 Scheme. The terms of the 2022 Scheme are generally consistent the requirements under Chapter 17 of the Listing Rules, and the members of the CNT Remuneration Committee are of the view that the adoption of the 2022 Scheme is beneficial to the business development of the Group and provides the Group with flexibility in offering commensurate compensation packages for its staff.

Share option scheme adopted by CPM Group Limited on 4 June 2020 (the “CPM Scheme”)

As at 1 January 2022, the number of share options available for grant under the CPM Scheme was 100,000,000 share options. As at 31 December 2022, there were 20,000,000 share options available for grant thereunder. There was no service provider sublimit set under the CPM Scheme.

Any offer for the grant of the share options must be accepted by the relevant eligible participant not later than 21 days after the offer date or such longer or shorter period as the CPM Board may specify from and inclusive of the offer date.

Summary of matters relating to the CPM Scheme reviewed by the remuneration committee of CPM (the “CPM Remuneration Committee”)

Grant of share options under the CPM Scheme

During the year ended 31 December 2022, 80,000,000 share options have been granted to three directors of CPM and five employees of the CPM Group (collectively, the “CPM Grantees”), among of which 40,000,000 share options, representing 50% of the total share options granted, vested on and exercisable from the date of grant, i.e. 15 June 2022.

Having considered that the past performance and contributions to the CPM Group of the CPM Grantees and that the vesting period for the unvested share options is more than 12 months, the CPM Remuneration Committee and the CPM Board consider that the grant of such share options with a short vesting period:

- (i) aligns the interests of the CPM Grantees with that of CPM and the shareholders of CPM as a whole;
- (ii) rewards and recognises the contribution of the CPM Grantees to the CPM Group;
- (iii) provides incentive to the CPM Grantees to continue to work for the success and improved performance of the CPM Group; and
- (iv) reinforces their commitment to long-term services to the CPM Group. All of these are consistent with the purpose of the CPM Scheme.

Performance target

There is no performance target attached with the share options. The CPM Remuneration Committee has noted that the purpose of the CPM Scheme is to provide incentive or reward to the CPM Grantees for their contribution to the CPM Group and that the CPM Scheme does not restrictively specify the contribution. The CPM Remuneration Committee has also considered (a) the importance of the roles and responsibilities of the CPM Grantees; (b) the past performance and contributions of the CPM Grantees; and (c) the expected contributions of the CPM Grantees to be made to the future development of the CPM Group and is of the view that the grant of share options without any performance target aligns with the purpose of the CPM Scheme.

Clawback mechanism

There is no clawback mechanism attached to the share options. The share options granted shall lapse and cannot be exercised with immediate effect if the CPM Grantees, who is an employee (including any director), ceases to be an employee or a director of the CPM Group on the ground including, but without limitation to, that he or she has been guilty of serious misconduct.

In respect of the share options granted during the year ended 31 December 2022, the CPM Remuneration Committee considers that the CPM Scheme is intended to reward eligible participants who have contributed to the business development of the CPM Group and to encourage eligible participants to work towards enhancing the value of CPM for the benefit of CPM and its shareholders as a whole. In addition, the CPM Remuneration Committee also consider that:

- (a) the CPM Grantees are eligible participants under the CPM Scheme who would contribute directly to the overall business performance and sustainable development of the CPM Group;
- (b) the granting of share options to the CPM Grantees is a recognition for their past contributions to the CPM Group; and
- (c) the share options are subject to the terms of the CPM Scheme which provides for circumstances under which the share options may lapse.

Saved as disclosed above, CPM did not make any grant of share options to the directors and/or senior managers of the CPM Group as set forth in Rules 17.03F, 17.06B(7) and 17.06B(8) of the Listing Rules during the year ended 31 December 2022.”

The supplemental information provided in this announcement does not affect other information contained in the 2022 Annual Report. Save as disclosed in this announcement, the contents of the 2022 Annual Report remain unchanged.

On behalf of the Board
CNT Group Limited
Tsui Yam Tong, Terry
Chairman

Hong Kong, 29 June 2023

As at the date of this announcement, the Board comprises Mr. Tsui Yam Tong, Terry and Mr. Chong Chi Kwan as executive Directors; Mr. Tsui Ho Chuen, Philip and Mr. Zhang Yulin as non-executive Directors; and Mr. Ko Kwok Fai, Dennis, Mr. Huang De Rui, Mr. Zhang Xiaojing, Ms. Lin Yingru and Mr. Cheng Wai Po, Samuel as independent non-executive Directors.