
THIS COMPOSITE DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of the CPM Offers, this Composite Document and/or the accompanying Forms of Acceptance or as to the action to be taken, you should consult a licensed securities dealer or registered institution in securities, a bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in CPM Group Limited, you should at once hand this Composite Document and the accompanying Forms of Acceptance to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for onward transmission to the purchaser(s) or the transferee(s).

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Composite Document and the accompanying Forms of Acceptance, make no representation as to their accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Composite Document and the accompanying Forms of Acceptance.

This Composite Document should be read in conjunction with the accompanying Forms of Acceptance, the contents of which form part of the terms and conditions of the CPM Offers.

PRIME SURPLUS LIMITED

(Incorporated in the British Virgin Islands with limited liability)

SHK HONG KONG INDUSTRIES LIMITED

(Incorporated in Hong Kong with limited liability)



(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1932)

COMPOSITE DOCUMENT RELATING TO MANDATORY UNCONDITIONAL CASH OFFERS BY YU MING INVESTMENT MANAGEMENT LIMITED ON BEHALF OF PRIME SURPLUS LIMITED AND SHK HONG KONG INDUSTRIES LIMITED TO ACQUIRE ALL THE ISSUED SHARES OF CPM GROUP LIMITED (OTHER THAN THOSE SHARES ALREADY OWNED AND/OR AGREED TO BE ACQUIRED BY THE OFFERORS, CNT AND PARTIES ACTING IN CONCERT WITH ANY OF THEM) AND TO CANCEL ALL THE OUTSTANDING SHARE OPTIONS OF CPM GROUP LIMITED

Financial adviser to the Offerors



YU MING INVESTMENT MANAGEMENT LIMITED
禹銘投資管理有限公司

Financial adviser to CPM



Independent CPM Financial Adviser to the Independent CPM Board Committee

AmCap

Ample Capital Limited
豐盛融資有限公司

Capitalised terms used in this cover page shall have the same meanings as those defined in this Composite Document.

A letter from Yu Ming containing, among other things, the details of the terms and conditions of the CPM Offers are set out on pages 8 to 17 of this Composite Document. A letter from the CPM Board is set out on pages 18 to 24 of this Composite Document. A letter from the Independent CPM Board Committee containing its recommendation in respect of the CPM Offers to the Independent CPM Shareholders and the Independent CPM Optionholders is set out on pages 25 to 27 of this Composite Document. A letter from the Independent CPM Financial Adviser containing its advice to the Independent CPM Board Committee in respect of the CPM Offers is set out on pages 28 to 54 of this Composite Document.

The procedures for acceptance and settlement of the CPM Share Offer are set out on pages I-1 to I-10 in Appendix I to this Composite Document and in the accompanying Form of CPM Share Offer Acceptance. Acceptances of the CPM Share Offer must be received by the Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong by no later than 4:00 p.m. on Wednesday, 15 July 2026, being the Closing Date, or such later time and/or date as the Offerors may determine and announce with the consent of the Executive and in accordance with the Takeovers Code.

The procedures for acceptance and settlement of the CPM Option Offer are set out on pages I-1 to I-10 in Appendix I to this Composite Document and in the accompanying Form of CPM Option Offer Acceptance. Acceptances of the CPM Option Offer must be received by the company secretary of CPM at 31st Floor, CNT Tower, 338 Hennessy Road, Wanchai, Hong Kong by no later than 4:00 p.m. on Wednesday, 15 July 2026, being the Closing Date, or such later time and/or date as the Offerors may determine and announce with the consent of the Executive and in accordance with the Takeovers Code.

Any persons including, without limitation, custodians, nominees and trustees, who would, or otherwise intend to, forward this Composite Document and/or the accompanying Forms of Acceptance to any jurisdiction outside Hong Kong should read the section headed "The CPM Offers – Overseas CPM Shareholders and Overseas CPM Optionholders" in the "Letter from Yu Ming" and Appendix I to this Composite Document before taking any action. It is the responsibility of the Overseas CPM Shareholders and Overseas CPM Optionholders wishing to accept the CPM Offers to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the CPM Offers, including the obtaining of any governmental, exchange control or other consent and any registration or filing which may be required or the compliance with other necessary formalities, regulatory and/or legal requirement and the payment of any transfer or other taxes due in respect of such jurisdictions. Overseas CPM Shareholders and Overseas CPM Optionholders are advised to seek professional advice on deciding whether to accept the CPM Offers.

CONTENTS

	<i>Page</i>
EXPECTED TIMETABLE	1
DEFINITIONS	3
LETTER FROM YU MING	8
LETTER FROM THE CPM BOARD	18
LETTER FROM THE INDEPENDENT CPM BOARD COMMITTEE	25
LETTER FROM THE INDEPENDENT CPM FINANCIAL ADVISER	28
APPENDIX I – FURTHER TERMS AND PROCEDURES OF ACCEPTANCE OF THE CPM OFFERS	I-1
APPENDIX II – FINANCIAL INFORMATION OF THE CPM GROUP	II-1
APPENDIX III – PROPERTY VALUATION REPORT OF THE CPM GROUP AND ITS OTHER ASSOCIATED COMPANIES	III-1
APPENDIX IV – GENERAL INFORMATION OF THE OFFERORS	IV-1
APPENDIX V – GENERAL INFORMATION OF CPM	V-1
ACCOMPANYING DOCUMENTS – FORMS OF ACCEPTANCE	

EXPECTED TIMETABLE

The expected timetable set out below is indicative only and is subject to change. Any changes to the timetable will be jointly announced by the Offerors and CPM.

2026

Despatch date of this Composite Document and the Forms of Acceptance and commencement date of the CPM Offers (<i>Note 1</i>)	Wednesday, 24 June
Latest time and date for acceptance of the CPM Offers (<i>Notes 2 and 3</i>)	4:00 p.m. on Wednesday, 15 July
Closing Date (<i>Notes 2 and 3</i>)	Wednesday, 15 July
Announcement of the results of the CPM Offers to be posted on the website of the Stock Exchange	no later than 7:00 p.m. on Wednesday, 15 July
Latest date for posting of remittances in respect of valid acceptances received under the CPM Offers (<i>Note 4</i>)	Friday, 24 July

Notes:

1. The CPM Offers are made on Wednesday, 24 June 2026, the date of this Composite Document, and are capable of acceptance on and from that date until 4:00 p.m. on Wednesday, 15 July 2026.
2. The latest time and date for acceptances to be lodged under the CPM Offers are 4:00 p.m. on Wednesday, 15 July 2026, being a date no less than twenty-one (21) days from the date of this Composite Document, unless the Offerors revise or extend the CPM Offers in accordance with the Takeovers Code. The Offerors and CPM will jointly issue an announcement through the website of the Stock Exchange no later than 7:00 p.m. on Wednesday, 15 July 2026 stating the results of the CPM Offers and whether the CPM Offers have been extended, revised or have expired. In the event that the Offerors decide to extend the CPM Offers, an announcement of such extension will be published which will state either the next closing date of the CPM Offers or that the CPM Offers will remain open until further notice. In the latter case, at least fourteen (14) days' notice by way of an announcement will be given before the CPM Offers are closed to those Independent CPM Shareholders and Independent CPM Optionholders who have not accepted the CPM Offers.

Beneficial owners of CPM Offer Shares who hold their CPM Shares in CCASS directly as an investor participant or indirectly via a broker or custodian participant and who wish to accept the CPM Share Offer should note the timing requirements for causing instructions to be made to CCASS in accordance with the General Rules of HKSCC and HKSCC Operational Procedures and any deadlines set by HKSCC Nominees Limited.
3. Acceptance of the CPM Offers shall be irrevocable and is not capable of being withdrawn, except in the circumstances as set out in the paragraph headed "4. Right of withdrawal" in Appendix I to this Composite Document.
4. Remittances in respect of the acceptances of the CPM Offers (after deducting the accepting Independent CPM Shareholders' share of stamp duty in the case of the CPM Share Offer), will be despatched to the accepting Independent CPM Shareholders and Independent CPM Optionholders at his/her/its own risk as soon as possible but in any event, within seven (7) Business Days after the date on which the duly completed Forms of Acceptance and the relevant documents of title of the CPM Shares and CPM Options in respect of such acceptance are received by or for the Offerors to render each such acceptance of the CPM Offers complete and valid pursuant to Rule 20.1 and Note 1 to Rule 30.2 of the Takeovers Code.

EXPECTED TIMETABLE

5. If there is a tropical cyclone warning signal number 8 or above, or “extreme conditions” or a black rainstorm warning as issued by the Hong Kong Observatory and/or the Government of Hong Kong (collectively, “**severe weather condition(s)**”) on any of the following deadlines (“**Key Deadline(s)**”): (a) the latest date for acceptance of the CPM Offers and the submission and publication deadline for a closing announcement under Rule 19.1 under the Takeovers Code; and (b) the latest date for posting of remittances for the amounts due under the CPM Offers in respect of valid acceptances:
- (a) in case any severe weather condition is in force in Hong Kong at any local time before 12:00 noon but no longer in force at 12:00 noon and/or thereafter on any Key Deadline, such Key Deadline will remain on the same Business Day; or
 - (b) in case any severe weather condition is in force in Hong Kong at any local time at 12:00 noon and/or thereafter on any Key Deadline, such Key Deadline will be rescheduled to the following Business Day which does not have any of those warnings or conditions in force in Hong Kong at any time at 12:00 noon and/or thereafter or such other day as the Executive may approve in accordance with the Takeovers Code.

All references to date and time contained in this Composite Document and the Forms of Acceptance refer to Hong Kong date and time.

DEFINITIONS

In this Composite Document, unless the context otherwise requires, the following terms shall have the following meanings:

“acting in concert”	has the meaning ascribed to it under the Takeovers Code
“AGL”	Allied Group Limited, a company incorporated in Hong Kong with limited liability, and the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 373)
“associate(s)”	has the meaning ascribed to it under the Takeovers Code
“Business Day”	a day on which the Stock Exchange is open for the transaction of business
“BVI”	British Virgin Islands
“CCASS”	the Central Clearing and Settlement System established and operated by the HKSCC
“Closing Date”	Wednesday, 15 July 2026 being the closing date of the CPM Offers, or if the CPM Offers are extended, any subsequent closing date(s) as may be determined by the Offerors and jointly announced by the Offerors and CPM, with the consent of the Executive in accordance with the Takeovers Code
“CNT”	CNT Group Limited (Stock Code: 701), an exempted company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange
“CNT Composite Document”	the composite offer and response document dated 29 May 2026 jointly issued by the Offerors and CNT together with the form of acceptance to the CNT Shareholders in connection with the CNT Offer in compliance with the Takeovers Code
“CNT Offer”	the mandatory conditional cash offer made by Yu Ming on behalf of the Offerors to acquire all the issued CNT Shares (other than those CNT Shares already owned and/or agreed to be acquired by the Offerors and parties acting in concert with any of them)
“CNT Offer Price”	HK\$0.1 per CNT Offer Share
“CNT Offer Share(s)”	all of the CNT Share(s) in issue, other than those already owned and/or agreed to be acquired by the Offerors and parties acting in concert with any of them

DEFINITIONS

“CNT Share(s)”	ordinary share(s) of CNT of HK\$0.10 each in the issued share capital of CNT
“CNT Shareholder(s)”	holder(s) of the CNT Share(s)
“Composite Document”	this composite offer and response document jointly issued by the Offerors and CPM together with the Forms of Acceptance to the Independent CPM Shareholders and the Independent CPM Optionholders in connection with the CPM Offers in compliance with the Takeovers Code
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“CPM”	CPM Group Limited (Stock Code: 1932), a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange, being an indirect non-wholly owned subsidiary of CNT
“CPM Board”	the board of CPM Directors
“CPM Director(s)”	the director(s) of CPM
“CPM Group”	CPM and its subsidiaries
“CPM Offers”	the CPM Share Offer and the CPM Option Offer
“CPM Offer Period”	the period commencing on 21 April 2026, being the date of the Joint Announcement, and ending on the date when the CPM Offers close
“CPM Offer Share(s)”	all of the CPM Share(s) in issue, other than those already owned and/or agreed to be acquired by the Offerors, CNT and parties acting in concert with any of them
“CPM Optionholder(s)”	holder(s) of the CPM Share Option(s)
“CPM Option Offer”	the mandatory unconditional cash offer made by Yu Ming on behalf of the Offerors to cancel all outstanding CPM Share Options (other than those CPM Share Options already owned and/or agreed to be acquired by the Offerors, CNT and parties acting in concert with any of them)
“CPM Option Offer Price”	the price at which the CPM Option Offer is made, being HK\$0.0001 per CPM Share Option
“CPM Share(s)”	ordinary share(s) of CPM of HK\$0.10 each in the issued share capital of CPM

DEFINITIONS

“CPM Shareholder(s)”	holder(s) of the CPM Share(s)
“CPM Share Offer”	the mandatory unconditional cash offer made by Yu Ming on behalf of the Offerors to acquire all the issued CPM Shares (other than those CPM Shares already owned and/or agreed to be acquired by the Offerors, CNT and parties acting in concert with any of them)
“CPM Share Offer Price”	HK\$0.0562 per CPM Offer Share
“CPM Share Option(s)”	share option(s) granted by CPM under the CPM Share Option Scheme
“CPM Share Option Scheme”	the share option scheme adopted by CPM on 4 June 2020
“Encumbrances”	any interest or equity of any person including any encumbrance, mortgage, charge, security interest, assignment, pledge, lien, option, right of pre-emption, right of first refusal, right of set-off, retention of title or hypothecation howsoever arising, and any obligation, whether conditional or otherwise, to create any of the foregoing, whether arising by agreement, operation of applicable laws or otherwise
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any delegate of the Executive Director
“Forms of Acceptance”	collectively, the Form(s) of CPM Option Offer Acceptance and the Form(s) of CPM Share Offer Acceptance
“Form(s) of CPM Option Offer Acceptance”	PINK form(s) of acceptance and cancellation of the CPM Share Options in respect of the CPM Option Offer accompanying this Composite Document
“Form(s) of CPM Share Offer Acceptance”	WHITE form(s) of acceptance and transfer of the CPM Shares in respect of the CPM Share Offer accompanying this Composite Document
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	Hong Kong Special Administrative Region of the PRC

DEFINITIONS

“Independent CPM Board Committee”	an independent committee of the CPM Board comprising Mr. Mak Chi Wah, the non-executive CPM Director and all independent non-executive CPM Directors, namely, Mr. Chua Joo Bin, Mr. Xia Jun and Ms. Meng Jinxia, established to advise the Independent CPM Shareholders and the Independent CPM Optionholders as to whether the CPM Offers are fair and reasonable and as to acceptance of the CPM Offers
“Independent CPM Financial Adviser”	Ample Capital Limited, being the independent financial adviser appointed by CPM with the approval of the Independent CPM Board Committee to advise the Independent CPM Board Committee in respect of the CPM Offers and as to the acceptance of the CPM Offers
“Independent CPM Optionholder(s)”	the CPM Optionholders other than Mr. Tsui
“Independent CPM Shareholder(s)”	the CPM Shareholders other than the Offerors, CNT and parties acting in concert with any of them
“Independent Third Parties”	party(ies) independent of and not connected with CPM and its connected persons
“Joint Announcement”	the announcement jointly issued by the Offerors, CNT and CPM dated 21 April 2026, in relation to, among other things, the CPM Offers
“Last Trading Day”	10 April 2026, being the last trading day of the CPM Shares on the Stock Exchange before the publication of the Joint Announcement
“Latest Practicable Date”	Thursday, 18 June 2026, being the latest practicable date prior to the printing of this Composite Document for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	Main Board of the Stock Exchange (excludes the option market) operated by the Stock Exchange which is independent from and operated in parallel with GEM of the Stock Exchange
“Mr. Tsui”	Mr. Tsui Ho Chuen, Philip, the sole shareholder and sole director of Prime Surplus, a non-executive CNT Director, and an executive director and the chairman and managing director of CPM
“Offerors”	the joint Offerors of the CPM Offers, namely Prime Surplus and SHK
“Overseas CPM Optionholder(s)”	the CPM Optionholder(s) whose address(es) are outside Hong Kong

DEFINITIONS

“Overseas CPM Shareholder(s)”	the CPM Shareholder(s) whose names appear on the register of members of CPM with registered address(es) outside Hong Kong
“PRC”	the People’s Republic of China which, for the purpose of this Composite Document, shall exclude Hong Kong, Macau Special Administrative Region and Taiwan
“Prime Surplus”	Prime Surplus Limited, a BVI business company incorporated in the British Virgin Islands with limited liability
“Registrar”	Tricor Investor Services Limited, the Hong Kong branch share registrar and transfer office of CPM, with its address at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
“Relevant Period”	the period commencing on 21 October 2025, being the date of falling six months before commencement of the CPM Offer Period, up to and including the Latest Practicable Date
“Sale Shares”	88,723,592 CNT Shares sold by Dragon Legacy Holdings Limited (wholly owned by Mr. Zhao Hui) to Prime Surplus
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SHK”	SHK Hong Kong Industries Limited, a company incorporated in Hong Kong with limited liability
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“Yu Ming”	Yu Ming Investment Management Limited, a corporation licensed under the SFO to carry out regulated activities of type 1 (dealing in securities), type 4 (advising on securities), type 6 (advising on corporate finance) and type 9 (asset management), being the financial adviser to the Offerors in respect of the CPM Offers
“%”	per cent.

LETTER FROM YU MING



YU MING INVESTMENT MANAGEMENT LIMITED
禹銘投資管理有限公司

24 June 2026

*To the Independent CPM Shareholders
and Independent CPM Optionholders,*

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFERS BY YU MING INVESTMENT
MANAGEMENT LIMITED ON BEHALF OF PRIME SURPLUS LIMITED
AND SHK HONG KONG INDUSTRIES LIMITED TO ACQUIRE ALL THE
ISSUED SHARES OF CPM GROUP LIMITED (OTHER THAN
THOSE SHARES ALREADY OWNED AND/OR AGREED TO BE ACQUIRED
BY THE OFFERORS, CNT AND PARTIES ACTING IN CONCERT WITH
ANY OF THEM) AND TO CANCEL ALL THE
OUTSTANDING SHARE OPTIONS OF CPM GROUP LIMITED**

INTRODUCTION

Reference is made to (i) the Joint Announcement in relation to the CNT Offer and the CPM Offers; (ii) the CNT Composite Document in relation to the CNT Offer; and (iii) the announcement dated 17 June 2026 jointly issued by the Offerors, CNT and CPM in respect of, among other things, the CNT Offer having become unconditional in all respects and the satisfaction of the pre-condition to the CPM Offers.

The CNT Offer became unconditional in all respects on 17 June 2026. The Offerors and parties acting in concert with any of them together hold more than 50% of the voting rights in CNT as a result of the CNT Offer. Therefore, pursuant to the chain principle in Note 8 to Rule 26.1 of the Takeovers Code, Yu Ming, on behalf of the Offerors, makes the CPM Offers.

This letter forms part of this Composite Document and sets out, among other things, the principal terms of the CPM Offers, the information on the Offerors and their intentions in relation to CPM. Further details of the CPM Offers are also set out in Appendix I to this Composite Document and the accompanying Forms of Acceptance. Your attention is also drawn to the letter from the CPM Board on pages 18 to 24, the letter from the Independent CPM Board Committee on pages 25 to 27 and the letter from the Independent CPM Financial Adviser on pages 28 to 54 of this Composite Document before reaching a decision as to acceptance of the CPM Offers.

LETTER FROM YU MING

THE CPM OFFERS

Yu Ming, on behalf of the Offerors, is making the CPM Offers to acquire all the CPM Offer Shares and to cancel all CPM Share Options in compliance with the Takeovers Code on the basis set out below:

The CPM Share Offer

For every CPM Offer Share HK\$0.0562 in cash

The CPM Share Offer Price at HK\$0.0562 for each CPM Offer Share has been determined based on the Pacpo Formula set out in Practice Note 19 to the Takeovers Code, taking into consideration (i) the CNT Offer Price of HK\$0.1 per CNT Offer Share; (ii) the audited consolidated total net asset values of CNT and CPM attributable to owners as at 31 December 2025, being approximately HK\$1,196.1 million and HK\$353.1 million, respectively; (iii) the total number of CNT Shares and CPM Shares as at the date of the Joint Announcement, being 1,903,685,690 and 1,000,000,000, respectively; and (iv) the fact that CNT through its wholly-owned subsidiary, CNT Enterprises Limited, holds 750,000,000 CPM Shares (representing 75.00% of the voting rights of CPM) as at the date of the Joint Announcement.

The CPM Offer Shares to be acquired under the CPM Share Offer shall be fully paid and free from all Encumbrances and together with all rights and interests attaching thereto, including all rights to any dividend or other distribution declared, made or paid on or after the date on which the CPM Offers are made, being the date of the despatch of this Composite Document.

Based on the Pacpo Formula, the CPM Share Offer Price of HK\$0.0562 per CPM Offer Share is calculated as follows:

$$\frac{\text{Net assets values of CPM} \times \text{CNT's \% equity interests in CPM}}{\text{Net asset values of CNT}} \times \frac{\text{CNT Offer Price of HK\$0.1 per CNT Offer Share} \times \text{Total CNT Shares in issue}}{\text{Number of CPM Shares held by CNT}}$$

Note: The net asset value of the CNT and CPM represents the audited consolidated total net asset values of CNT and CPM attributable to owners as at 31 December 2025.

The CPM Option Offer

As the exercise price of the outstanding CPM Share Options is above the CPM Share Offer Price, the outstanding CPM Share Options are out of the money and the offer price for cancellation of each CPM Share Option is set at a nominal value of HK\$0.0001, in cash.

As at the Latest Practicable Date, there are a total of 60,000,000 outstanding CPM Share Options, carrying rights to subscribe for 60,000,000 new CPM Shares with an exercise price of HK\$0.335 per CPM Share Option, out of which 10,000,000 CPM Share Options are held by Mr. Tsui.

LETTER FROM YU MING

If any CPM Share Option is exercised by the Independent CPM Optionholders in accordance with the terms of the CPM Share Option Scheme prior to the close of the CPM Share Offer, any CPM Shares issued as a result of such exercise will be subject to the CPM Share Offer.

Pursuant to the terms of the CPM Share Option Scheme, in the event that a general offer is made to all CPM Shareholders (or all such CPM Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror (as defined in the Takeovers Codes)) and such offer becomes or is declared unconditional during the option period of the relevant CPM Share Option, the grantee shall be entitled to exercise the CPM Share Option in full (to the extent not already exercised) at any time up to the close of the offer or the record date for entitlements under the scheme of arrangement, as the case may be.

The CPM Offers are extended to all CPM Shareholders and CPM Optionholders other than the Offerors, CNT and parties acting in concert with any of them in accordance with the Takeovers Code. As at the Latest Practicable Date, CPM has 1,000,000,000 CPM Shares in issue. Save for the 1,000,000,000 CPM Shares and 60,000,000 outstanding CPM Share Options in issue, there are no outstanding CPM Shares, options, warrants, derivatives or securities convertible or exchangeable into Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code).

The CPM Offers are unconditional in all respects and are not conditional upon acceptances being received in respect of a minimum number of CPM Offer Shares and in respect of a minimum number of CPM Share Options to be cancelled.

Comparison of value

The CPM Share Offer Price of HK\$0.0562 per CPM Share represents:

- (a) a discount of approximately 77.43% to the closing price of HK\$0.249 per CPM Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a discount of approximately 76.39% to the average closing price of HK\$0.238 per CPM Share as quoted on the Stock Exchange for the last five (5) consecutive trading days up to and including the Last Trading Day;
- (c) a discount of approximately 76.49% to the average closing price of approximately HK\$0.239 per CPM Share as quoted on the Stock Exchange for the last ten (10) consecutive trading days up to and including the Last Trading Day;
- (d) a discount of approximately 77.79% to the average closing price of approximately HK\$0.253 per CPM Share as quoted on the Stock Exchange for the last thirty (30) consecutive trading days up to and including the Last Trading Day;
- (e) a discount of approximately 76.58% to the closing price of HK\$0.240 per CPM Share as quoted on the Stock Exchange on the Latest Practicable Date;

LETTER FROM YU MING

- (f) a discount of approximately 84.08% to the audited consolidated net asset value attributable to owners of CPM of approximately HK\$0.353 per CPM Share as at 31 December 2025 calculated based on the information as set out in CPM's annual report for the year ended 31 December 2025 and 1,000,000,000 CPM Shares in issue as at the Latest Practicable Date; and
- (g) a discount of approximately 86.56% to the adjusted unaudited consolidated net asset value attributable to CPM Shareholders per CPM Share of approximately HK\$0.418 per CPM Share as of 31 December 2025, the calculation of which is set out in the paragraph headed "5. ADJUSTED UNAUDITED NET ASSET VALUE" in Appendix II to this Composite Document.

Highest and Lowest CPM Share Prices

During the Relevant Period:

- a) the highest closing price of the CPM Shares quoted on the Stock Exchange was HK\$0.440 per CPM Share on 5 May 2026; and
- b) the lowest closing price of the CPM Shares quoted on the Stock Exchange was HK\$0.121 per CPM Share on 25 and 26 November 2025.

Offer consideration

As at the Latest Practicable Date, there are 1,000,000,000 CPM Shares and 60,000,000 outstanding CPM Share Options with an exercise price of HK\$0.335 per CPM Share Option (out of which 10,000,000 CPM Share Options are held by Mr. Tsui) in issue.

Assuming (i) none of the CPM Share Options are exercised and (ii) there is no change in the issued share capital of CPM from the Latest Practicable Date up to the close of the CPM Offers, 250,000,000 CPM Shares will be subject to the CPM Share Offer and 50,000,000 CPM Share Options will be subject to the CPM Option Offer. Based on the CPM Share Offer Price of HK\$0.0562 per CPM Offer Share and the CPM Option Offer Price of HK\$0.0001 per CPM Share Option and on the basis of full acceptance of the CPM Offers, the maximum payment obligations payable by the Offerors under the CPM Offers would be HK\$14,055,000.

Assuming (i) all of the CPM Share Options held by the Independent CPM Share Optionholders are exercised before close of the CPM Offers and (ii) there is no other change in the issued share capital of CPM from the Latest Practicable Date up to the close of the CPM Offers, a total of 300,000,000 CPM Shares will be subject to the CPM Share Offer. Based on the CPM Share Offer Price of HK\$0.0562 per CPM Offer Share and on the basis of full acceptance of the CPM Offers, the maximum payment obligations payable by the Offerors under the CPM Offers would be HK\$16,860,000.

Confirmation of financial resources

SHK intends to finance the CPM Offers by its internal resources and Prime Surplus intends to finance the CPM Offers by the personal financial resources of Mr. Tsui. Yu Ming has been appointed as the financial adviser to the Offerors in respect of the CPM Offers and is satisfied that sufficient financial resources are available to the Offerors to satisfy full acceptance of the CPM Offers.

LETTER FROM YU MING

Effect of accepting the CPM Offers

By validly accepting the CPM Share Offer, the accepting Independent CPM Shareholders will sell their tendered CPM Offer Shares to the Offerors which are fully paid-up and free from all Encumbrances, together with all rights attached thereto on or after the date on which the CPM Offers are made, being the date of despatch of this Composite Document, including the right to receive in full all dividends and other distributions, if any, declared, made or paid, the record date of which falls on or after the date of despatch of this Composite Document.

The CPM Directors confirm that as at the Latest Practicable Date, (i) CPM has not declared any dividend which remains unpaid, (ii) CPM does not intend to declare any dividend the record date of which will fall on or after the date of this Composite Document, and (iii) CPM does not intend to make, declare or pay any future dividend or make other distributions until after the closing of the CPM Offers.

By accepting the CPM Option Offer, the Independent CPM Optionholders will agree to the cancellation of those outstanding CPM Share Options, together with all rights attaching thereto with effect from the date on which the CPM Option Offer is made, being the despatch date of this Composite Document.

Acceptance of the CPM Offers would be irrevocable and would not be capable of being withdrawn, except as permitted under the Takeovers Code.

Overseas CPM Shareholders and Overseas CPM Optionholders

The CPM Offers are made to all Independent CPM Shareholders and Independent CPM Optionholders, including Overseas CPM Shareholders and Overseas CPM Optionholders and a copy of this Composite Document will be sent to all Independent CPM Shareholders and Independent CPM Optionholders with registered addresses in Hong Kong as well as jurisdictions outside Hong Kong. However, the CPM Offers are in respect of securities of an exempted company incorporated in the Cayman Islands and is subject to the procedural and disclosure requirements of Hong Kong which may be different from other jurisdictions.

Overseas CPM Shareholders and Overseas CPM Optionholders who wish to participate in the CPM Offers but with a registered address outside Hong Kong are subject to, and may be limited by, the laws and regulations of their respective jurisdictions in connection with their participation in the CPM Offers. Overseas CPM Shareholders and Overseas CPM Optionholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe relevant applicable legal or regulatory requirements and, where necessary, seek legal advice. It is the responsibility of the Overseas CPM Shareholders and Overseas CPM Optionholders who wish to accept the CPM Offers to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the CPM Offers (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfer or other taxes due by such accepting Overseas CPM Shareholders and Overseas CPM Optionholders in respect of such jurisdictions).

LETTER FROM YU MING

Acceptance of the CPM Offers by any Overseas CPM Shareholder and Overseas CPM Optionholders will be deemed to constitute a representation and warranty from such Overseas CPM Shareholder and Overseas CPM Optionholders to the Offerors that the local laws and requirements have been complied with. The Overseas CPM Shareholders and Overseas CPM Optionholders should consult their professional advisers if in doubt.

Stamp duty

The seller's Hong Kong ad valorem stamp duty arising in connection with acceptance of the CPM Share Offer will be payable by the Independent CPM Shareholders who accept the CPM Share Offer at a rate of 0.1% of (i) the consideration payable by the Offerors in respect of the relevant acceptance of the CPM Share Offer; or (ii) the market value of the CPM Offer Shares, whichever is higher, and such stamp duty will be deducted from the cash amount payable by the Offerors to such Independent CPM Shareholders on acceptance of the CPM Share Offer.

The Offerors will arrange for payment of the seller's Hong Kong ad valorem stamp duty on behalf of the Independent CPM Shareholders who accept the CPM Share Offer and will pay the buyer's Hong Kong ad valorem stamp duty in connection with the acceptance of the CPM Share Offer and the transfer of the CPM Offer Shares in accordance with the Stamp Duty Ordinance (Chapter 117 of the Laws of Hong Kong).

No stamp duty is payable in connection with the acceptances of the CPM Option Offer.

INFORMATION ON THE OFFERORS

Prime Surplus and SHK are the Offerors of the CPM Offers.

Prime Surplus is a BVI business company incorporated in BVI with limited liability. Prime Surplus is principally engaged in investment holding. As at the Latest Practicable Date, Mr. Tsui is the sole shareholder and sole director of Prime Surplus. Mr. Tsui is also a non-executive CNT Director, an executive director, the chairman and managing director of CPM.

SHK is a company incorporated in Hong Kong with limited liability. SHK is principally engaged in investments in listed and unlisted financial instruments. SHK was formerly listed on the Main Board of the Stock Exchange. The listing of SHK was withdrawn on 23 April 2021. Mr. Mark Wong Tai Chun and Mr. Lee Wa Lun, Warren are the directors of SHK. As at the Latest Practicable Date, SHK is an indirect wholly-owned subsidiary of AGL.

AGL is a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange. The principal business activity of AGL is investment holding. The principal business activities of its major subsidiaries are development and investment of residential, office and commercial properties, hospitality related activities, investment and operation of hospital, eldercare and health related businesses, provision of property management, cleaning and security guarding services, and the provision of finance, investments in listed and unlisted securities and funds management.

LETTER FROM YU MING

As at the Latest Practicable Date, AGL is beneficially owned as to approximately 75.42% by Lee and Lee Trust (inclusive of Mr. Lee Seng Hui's personal interests of approximately 0.01%), being a discretionary trust.

When Prime Surplus contemplated the purchase of the Sale Shares, it was aware that it may be required to make the CPM Offers under the Takeovers Code. Prime Surplus invited SHK to jointly make the CPM Offers. SHK considers the CPM Offers an attractive investment opportunity as the CPM Share Offer Price represents a deep discount to the market price of the shares and net asset value per share of CPM. SHK and Prime Surplus will use SHK's internal resources and the personal financial resources of Mr. Tsui to settle the acceptance of the CPM Offers, respectively. Prime Surplus intends to take up all tendered shares in the CPM Offers. However, in the event that Prime Surplus's funding falls short to settle the consideration for the tendered shares in the CPM Offers, SHK will take up such tendered shares. For the avoidance of doubt, SHK has earmarked sufficient fund from its internal resources to finance the CPM Offers to the satisfaction of Yu Ming, and will utilize the earmarked fund to settle any tendered shares which are not taken up by Prime Surplus. This arrangement is mutually agreed between the Offerors and no agreement has been entered in this regard.

Intentions of the Offerors in relation to the CPM Group

The Offerors do not have any particular plans and strategies regarding the future development of the CPM Group and intend to continue the existing businesses of the CPM Group. The Offerors have no intention to (i) introduce any major changes to the existing business and operation of the CPM Group; (ii) discontinue the employment of any employees of the CPM Group to make significant changes to any employment; or (iii) dispose of or re-deploy the fixed assets of CPM other than those in its ordinary and usual course of business. However, the Offerors will continuously review the business of the CPM Group and the Offerors reserve the right to make such changes that it deems necessary or appropriate to the CPM Group's business and operations to optimise the value of the CPM Group.

The Offerors have no intention, understanding, obligation, negotiation or arrangement (concluded or otherwise) to downsize, cease or dispose of any of the existing businesses of the CPM Group.

MAINTAINING THE LISTING STATUS OF CPM AND SUFFICIENT PUBLIC FLOAT OF CPM

The Stock Exchange has stated that:

(a) if, at the close of the CPM Offers, the Stock Exchange believes that:

- a false market exists or may exist in the trading of the CPM Shares; or
- an orderly market does not exist or may not exist;

it will consider exercising its discretion to suspend dealings in the CPM Shares; and

LETTER FROM YU MING

- (b) if, at the close of the CPM Offers, CPM has a Significant Public Float Shortfall (as defined in Rule 13.32F of the Listing Rules), then:
- the Stock Exchange will add a designated marker to the stock name of the CPM Shares; and
 - the Stock Exchange will cancel the listing of the CPM Shares if CPM fails to re-comply with Rule 13.32B of the Listing Rules for a continuous period of 18 months from the commencement of the Significant Public Float Shortfall.

The Offerors intend CPM to remain listed on the Stock Exchange. The directors of the Offerors and the CPM Directors have jointly undertaken to the Stock Exchange that if, at the close of the CPM Offers, CPM fails to comply with the requirement of Rule 13.32B of the Listing Rules, they will take appropriate steps to ensure the CPM's compliance with Rule 13.32B of the Listing Rules at the earliest possible moment. CPM will make an application to the Stock Exchange for a temporary waiver from strict compliance with Rule 8.08(1) of the Listing Rules in case less than 25% of the CPM Shares will be held by the public upon the close of the CPM Offers in accordance with Rule 13.33 of the Listing Rules. The steps that the Offerors may take include but not limited to placing down or selling sufficient number of accepted CPM Shares which they will acquire under the CPM Share Offer to selected Independent Third Parties, or in the market. No arrangements have been confirmed or put in place as at the Latest Practicable Date. Further announcement(s) regarding the restoration of public float (if any) will be made by CPM as and when appropriate.

The Offerors do not intend to avail themselves of any powers of compulsory acquisition of any CPM Shares outstanding after the close of the CPM Offers.

INFORMATION ON THE CPM GROUP

CPM is a company incorporated in the Cayman Islands with limited liability, the CPM Shares are listed on the Main Board. The CPM Group is principally engaged in (i) the manufacture and sale of paint and coating products; and (ii) property investment.

Your attention is drawn to the details of the information of the CPM Group as set out under the section headed "Information on the CPM Group" in the "Letter from the CPM Board" and in Appendices II, III and V to this Composite Document.

ACCEPTANCES OF THE CPM OFFERS

Procedures for acceptance

To accept the CPM Offers, you should complete and sign the accompanying Forms of Acceptance in accordance with the instructions printed thereon, which instructions form part of the terms and conditions of the CPM Offers.

LETTER FROM YU MING

In respect of the CPM Share Offer, the duly completed and signed Form of CPM Share Offer Acceptance, should be sent, together with the relevant share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) to the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, marked “CPM Share Offer” on the envelope, in any event not later than 4:00 p.m. on the Closing Date or such later time and/or date as the Offerors may determine and announce with the consent of the Executive and in accordance with the Takeovers Code.

In respect of the CPM Option Offer, the duly completed and signed Form of CPM Option Offer Acceptance, should be sent, together with the relevant certificate(s) of CPM Share Options or other documents (if any) evidencing the grant of the CPM Share Options and any documents of title or entitlement (and/or any satisfactory indemnity or indemnities required in respect thereof) to the company secretary of CPM at 31st Floor, CNT Tower, 338 Hennessy Road, Wanchai, Hong Kong, in any event not later than 4:00 p.m. on the Closing Date or such later time and/or date as the Offerors may determine and announce with the consent of the Executive and in accordance with the Takeovers Code.

No acknowledgment of receipt of any Forms of Acceptance, share certificate (s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) will be given.

Your attention is drawn to “Further terms and procedures of acceptance of the CPM Offers” as set out in Appendix I to this Composite Document and the accompanying Forms of Acceptance.

Settlement of the CPM Offers

Payment in cash in respect of the acceptances of CPM Offers (after deducting the accepting Independent CPM Shareholders’ share of stamp duty in the case of the CPM Share Offer), will be despatched to the accepting Independent CPM Shareholders and Independent CPM Optionholders by ordinary post at his/her/its own risk as soon as possible but in any event, no later than seven (7) Business Days following the date on which the duly completed Forms of Acceptance and the relevant documents of title of the CPM Shares and/or CPM Share Options in respect of such acceptance are received by or for the Offerors to render each such acceptance of the CPM Offers complete and valid pursuant to Rule 20.1 and Note 1 to Rule 30.2 of the Takeovers Code.

No fraction of a cent will be payable and the amount of consideration payable to an Independent CPM Shareholder and Independent CPM Optionholder who accepts the CPM Offers will be rounded up to the nearest cent.

Taxation advice

Independent CPM Shareholders and Independent CPM Optionholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of their acceptance of the CPM Offers. It is emphasised that none of the Offerors and parties acting in concert with any of them, Yu Ming, the Registrar or any of their respective directors or any persons involved in the CPM Offers accepts responsibility for any taxation effects on, or liabilities of, any person or persons as a result of their acceptance of the CPM Offers.

LETTER FROM YU MING

GENERAL

To ensure equality of treatment of all Independent CPM Shareholders, those Independent CPM Shareholders who hold the CPM Offer Shares as nominee for more than one beneficial owner should, as far as practicable, treat the holding of each beneficial owner separately. In order for the beneficial owner of the CPM Offer Shares, whose investments are registered in nominee names, to accept the CPM Share Offer, it is essential that they provide instructions to their nominees of their intentions with regard to the CPM Share Offer.

All documents and remittances will be sent to the Independent CPM Shareholders and Independent CPM Optionholders by ordinary post at their own risk. These documents and remittances will be sent to them at their respective addresses as they appear in the register of members, in case of joint holders whose name appear first in the said register of members, unless otherwise specified in the accompanying Forms of Acceptance completed, returned and received by the Registrar (in respect of the CPM Share Offer) or CPM (in respect of the CPM Option Offer). None of the Offerors and parties acting in concert with any of them, Yu Ming, the Registrar, CPM or any of their ultimate beneficial owners, respective directors, officers, associates, agents or any other person involved in the CPM Offers will be responsible for any loss or delay in transmission of such documents and remittances or any other liabilities that may arise as a result thereof.

ADDITIONAL INFORMATION

Your attention is drawn to the additional information regarding the CPM Offers set out in the appendices to this Composite Document and the accompanying Forms of Acceptance, which form part of this Composite Document. In addition, your attention is also drawn to the “Letter from the CPM Board”, the “Letter from the Independent CPM Board Committee” and the letter of advice by the Independent CPM Financial Adviser to the Independent CPM Board Committee as set out in the “Letter from the Independent CPM Financial Adviser” contained in this Composite Document.

Yours faithfully,
For and on behalf of
Yu Ming Investment Management Limited
Warren Lee
Managing Director

LETTER FROM THE CPM BOARD



(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1932)

Executive CPM Directors

Tsui Ho Chuen, Philip (Chairman and Managing Director)
Li Guangzhong (Sales Director)

Non-executive CPM Director

Mak Chi Wah

Independent non-executive CPM Directors

Chua Joo Bin
Xia Jun
Meng Jinxia

Registered office

Cricket Square
Hutchins Drive
PO Box 2681
Grand Cayman
KY1-1111
Cayman Islands

Principal place of business in Hong Kong

31st Floor
CNT Tower
338 Hennessy Road
Wanchai
Hong Kong

24 June 2026

*To the Independent CPM Shareholders
and Independent CPM Optionholders,*

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFERS BY YU MING INVESTMENT
MANAGEMENT LIMITED ON BEHALF OF PRIME SURPLUS LIMITED
AND SHK HONG KONG INDUSTRIES LIMITED TO ACQUIRE ALL THE
ISSUED SHARES OF CPM GROUP LIMITED (OTHER THAN THOSE SHARES
ALREADY OWNED AND/OR AGREED TO BE ACQUIRED
BY THE OFFERORS, CNT AND PARTIES ACTING IN CONCERT WITH
ANY OF THEM) AND TO CANCEL ALL THE
OUTSTANDING SHARE OPTIONS OF CPM GROUP LIMITED**

INTRODUCTION

We refer to (i) the Joint Announcement in relation to the CNT Offer and the CPM Offers; (ii) the CNT Composite Document in relation to the CNT Offer; and (iii) the announcement dated 17 June 2026 jointly issued by the Offerors, CNT and CPM in respect of, among other things, the CNT Offer having become unconditional in all respects and the satisfaction of the pre-condition to the CPM Offers.

LETTER FROM THE CPM BOARD

The CNT Offer became unconditional in all respects on 17 June 2026. The Offerors and parties acting in concert with any of them together hold more than 50% of the voting rights in CNT as a result of the CNT Offer. Therefore, pursuant to the chain principle in Note 8 to Rule 26.1 of the Takeovers Code, the Offerors are required to make a mandatory unconditional cash offer for all the issued CPM Shares (other than those shares already owned and/or agreed to be acquired by the Offerors, CNT and parties acting in concert with any of them) and a mandatory unconditional cash offer to cancel all outstanding CPM Share Options (other than those share options already owned and/or agreed to be acquired by the Offerors, CNT and parties acting in concert with any of them).

The purpose of this Composite Document is to provide you with, among others, further information on the CPM Offers, the recommendation from the Independent CPM Board Committee to the Independent CPM Shareholders and Independent CPM Optionholders, and the advice from the Independent CPM Financial Adviser on the CPM Offers, together with the Forms of Acceptance.

THE CPM OFFERS

As set forth in the “Letter from Yu Ming” in this Composite Document:

Yu Ming, on behalf of the Offerors, is making the CPM Offers to acquire all the CPM Offer Shares and to cancel all CPM Share Options in compliance with the Takeovers Code on the basis set out below:

The CPM Share Offer

For every CPM Offer Share HK\$0.0562 in cash

The CPM Share Offer Price at HK\$0.0562 for each CPM Offer Share has been determined based on the Pacpo Formula set out in Practice Note 19 to the Takeovers Code, taking into consideration (i) the CNT Offer Price of HK\$0.1 per CNT Offer Share; (ii) the audited consolidated total net asset values of CNT and CPM attributable to owners as of 31 December 2025, being approximately HK\$1,196.1 million and HK\$353.1 million, respectively; (iii) the total number of CNT Shares and CPM Shares as of the date of the Joint Announcement, being 1,903,685,690 and 1,000,000,000, respectively; and (iv) the fact that CNT through its wholly-owned subsidiary, CNT Enterprises Limited, holds 750,000,000 CPM Shares (representing 75.00% of the voting rights of CPM) as of the date of the Joint Announcement.

The CPM Offer Shares to be acquired under the CPM Share Offer shall be fully paid and free from all Encumbrances and together with all rights and interests attaching thereto, including all rights to any dividend or other distribution declared, made or paid on or after the date on which the CPM Offers are made, being the date of the despatch of this Composite Document.

LETTER FROM THE CPM BOARD

Based on the Pacpo Formula, the CPM Share Offer Price of HK\$0.0562 per CPM Offer Share is calculated as follows:

$$\frac{\text{Net assets values of CPM} \times \text{CNT's \% equity interests in CPM}}{\text{Net asset values of CNT}} \times \frac{\text{CNT Offer Price of HK\$0.1 per CNT Offer Share} \times \text{Total CNT Shares in issue}}{\text{Number of CPM Shares held by CNT}}$$

Note: The net asset value of CNT and CPM represents the audited consolidated total net asset values of CNT and CPM attributable to owners as of 31 December 2025.

The CPM Option Offer

As the exercise price of the outstanding CPM Share Options is above the CPM Share Offer Price, the outstanding CPM Share Options are out of the money and the offer price for cancellation of each CPM Share Option is set at a nominal value of HK\$0.0001, in cash.

As of the Latest Practicable Date, there are a total of 60,000,000 outstanding CPM Share Options, carrying rights to subscribe for 60,000,000 new CPM Shares with an exercise price of HK\$0.335 per CPM Share Option, out of which 10,000,000 CPM Share Options are held by Mr. Tsui.

If any CPM Share Option is exercised by the Independent CPM Optionholders in accordance with the terms of the relevant CPM Share Option Scheme prior to the close of the CPM Share Offer, any CPM Shares issued as a result of such exercise will be subject to the CPM Share Offer.

Pursuant to the terms of the CPM Share Option Scheme, in the event that a general offer is made to all CPM Shareholders (or all such CPM Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror (as defined in the Takeovers Codes)) and such offer becomes or is declared unconditional during the option period of the relevant CPM Share Option, the grantee shall be entitled to exercise the CPM Share Option in full (to the extent not already exercised) at any time up to the close of the offer or the record date for entitlements under the scheme of arrangement, as the case may be.

The CPM Offers are extended to all CPM Shareholders and CPM Optionholders other than the Offerors, CNT and parties acting in concert with any of them in accordance with the Takeovers Code. As of the Latest Practicable Date, CPM has 1,000,000,000 CPM Shares in issue. Save for the 1,000,000,000 CPM Shares and 60,000,000 outstanding CPM Share Options in issue, there are no outstanding CPM Shares, options, warrants, derivatives or securities convertible or exchangeable into Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code).

The CPM Offers are unconditional in all respects and are not conditional upon acceptances being received in respect of a minimum number of CPM Offer Shares and in respect of a minimum number of CPM Share Options to be cancelled.

LETTER FROM THE CPM BOARD

Comparison of value

The CPM Share Offer Price of HK\$0.0562 per CPM Share represents:

- (a) a discount of approximately 77.43% to the closing price of approximately HK\$0.249 per CPM Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a discount of approximately 76.39% to the average closing price of approximately HK\$0.238 per CPM Share as quoted on the Stock Exchange for the last five (5) consecutive trading days up to and including the Last Trading Day;
- (c) a discount of approximately 76.49% to the average closing price of approximately HK\$0.239 per CPM Share as quoted on the Stock Exchange for the last ten (10) consecutive trading days up to and including the Last Trading Day;
- (d) a discount of approximately 77.79% to the average closing price of approximately HK\$0.253 per CPM Share as quoted on the Stock Exchange for the last thirty (30) consecutive trading days up to and including the Last Trading Day;
- (e) a discount of approximately 76.58% to the closing price of HK\$0.240 per CPM Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (f) a discount of approximately 84.08% to the audited consolidated net asset value attributable to owners of CPM of approximately HK\$0.353 per CPM Share as of 31 December 2025 calculated based on the information as set out in CPM's annual report for the year ended 31 December 2025 and 1,000,000,000 CPM Shares in issue as of the Latest Practicable Date; and
- (g) a discount of approximately 86.56% to the adjusted unaudited consolidated net asset value attributable to CPM Shareholders per CPM Share of approximately HK\$0.418 per CPM Share as of 31 December 2025, the calculation of which is set out in the paragraph headed "5. ADJUSTED UNAUDITED NET ASSET VALUE" in Appendix II to this Composite Document.

Highest and Lowest CPM Share Prices

During the Relevant Period:

- a) the highest closing price of the CPM Shares quoted on the Stock Exchange was HK\$0.440 per CPM Share on 5 May 2026; and
- b) the lowest closing price of the CPM Shares quoted on the Stock Exchange was HK\$0.121 per CPM Share on 25 and 26 November 2025.

LETTER FROM THE CPM BOARD

Offer consideration

Your attention is drawn to the paragraphs under “Letter from Yu Ming – Offer consideration” in this Composite Document for the consideration of the CPM Offers.

INFORMATION ON THE CPM GROUP

CPM is a company incorporated in the Cayman Islands with limited liability, the CPM Shares are listed on the Main Board. The CPM Group is principally engaged in (i) the manufacture and sale of paint and coating products; and (ii) property investment.

Your attention is drawn to Appendices II and V to this Composite Document which contain financial information and general information of the CPM Group, respectively.

SHAREHOLDING STRUCTURE OF CPM

The following table sets forth the shareholding structure of CPM as of the Latest Practicable Date.

	As of the Latest Practicable Date	
	<i>CPM Shares</i>	<i>%</i>
The Offerors, CNT and parties acting in concert with any of them		
CNT	750,000,000	75
<i>Sub-total</i>	<i>750,000,000</i>	<i>75</i>
Public Shareholders	250,000,000	25
Total	1,000,000,000	100

Note: Save for Mr. Tsui (i) holding 10,000,000 CPM Share Options and (ii) his interest in CNT (through Prime Surplus) which, in turn, having interest in CPM Shares as set out in the table above and Mr. Li Guangzhong (an executive CPM Director) holding 10,000,000 CPM Share Options, none of the CPM Directors is interested in any CPM Shares.

INFORMATION ON THE OFFERORS

Your attention is drawn to the paragraphs under “Letter from Yu Ming – INFORMATION ON THE OFFERORS” in this Composite Document.

INTENTIONS OF THE OFFERORS IN RELATION TO THE CPM GROUP

The Offerors do not have any particular plans and strategies regarding the future development of the CPM Group and intend to continue the existing businesses of the CPM Group. The Offerors have no intention to (i) introduce any major changes to the existing business and operation of the CPM Group; (ii) discontinue the employment of any employees of the CPM Group to make significant changes to any employment; or (iii) dispose of or re-deploy the fixed assets of CPM other than those in its ordinary and usual course of business. However, the Offerors will continuously review the business of the CPM Group and the Offerors reserve the right to make such changes that it deems necessary or appropriate to the CPM Group’s business and operations to optimise the value of the CPM Group.

LETTER FROM THE CPM BOARD

The Offerors have no intention, understanding, obligation, negotiation or arrangement (concluded or otherwise) to downsize, cease or dispose of any of the existing businesses of the CPM Group.

The CPM Board is aware of the Offerors' intentions in respect of the CPM Group and its employees and is willing to cooperate with the Offerors and act in the best interests of the CPM and the CPM Shareholders as a whole.

PUBLIC FLOAT AND MAINTAINING THE LISTING STATUS OF CPM

Your attention is drawn to the paragraphs under "Letter from Yu Ming – MAINTAINING THE LISTING STATUS OF CPM AND SUFFICIENT PUBLIC FLOAT OF CPM" in this Composite Document. The CPM Board notes that the Offerors intend to maintain the listing status of CPM on the Main Board and that the directors of the Offerors and the CPM Directors have jointly undertaken to the Stock Exchange that if, at the close of the CPM Offers, CPM fails to comply with the requirement of Rule 13.32B of the Listing Rules, they will take appropriate steps to ensure CPM's compliance with Rule 13.32B of the Listing Rules at the earliest possible moment. CPM will make an application to the Stock Exchange for a temporary waiver from strict compliance with Rule 8.08(1) of the Listing Rules in case less than 25% of the CPM Shares will be held by the public upon the close of the CPM Offers in accordance with Rule 13.33 of the Listing Rules.

INDEPENDENT CPM BOARD COMMITTEE AND INDEPENDENT CPM FINANCIAL ADVISER

Pursuant to Rule 2.1 of the Takeovers Code, the Independent CPM Board Committee, comprising Mr. Mak Chi Wah, the non-executive CPM Director and all independent non-executive CPM Directors, namely, Mr. Chua Joo Bin, Mr. Xia Jun and Ms. Meng Jinxia, has been established to advise the Independent CPM Shareholders and the Independent CPM Optionholders as to whether the CPM Offers are fair and reasonable and as to acceptance of the CPM Offers.

Ample Capital Limited has been appointed as the Independent CPM Financial Adviser with the approval of the Independent CPM Board Committee to advise the Independent CPM Board Committee in respect of the CPM Offers and, in particular, as to whether the CPM Offers are fair and reasonable and as to the acceptance of the CPM Offers pursuant to Rule 2.1 of the Takeovers Code.

RECOMMENDATIONS

Your attention is drawn to the sections headed "Letter from the Independent CPM Board Committee" and the "Letter from the Independent CPM Financial Adviser" in this Composite Document, which contain, among others, the advice of the Independent CPM Financial Adviser and the Independent CPM Board Committee in relation to the CPM Offers and the principal factors considered by them in arriving at their recommendations, and in particular, as to whether the CPM Offers are fair and reasonable and as to the acceptance of the CPM Offers.

LETTER FROM THE CPM BOARD

ADDITIONAL INFORMATION

Your attention is drawn to additional information set forth in the appendices to this Composite Document. You are also recommended to read carefully the “Letter from Yu Ming” in this Composite Document and the accompanying Forms of Acceptance.

If you are in doubt about your position in connection with the CPM Offers, you should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

By order of the CPM Board
CPM Group Limited
Mak Chi Wah
Non-executive Director

LETTER FROM THE INDEPENDENT CPM BOARD COMMITTEE



(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1932)

*To the Independent CPM Shareholders
and Independent CPM Optionholders,*

24 June 2026

Dear Sir or Madam,

**MANDATORY UNCONDITIONAL CASH OFFERS BY YU MING INVESTMENT
MANAGEMENT LIMITED ON BEHALF OF PRIME SURPLUS LIMITED
AND SHK HONG KONG INDUSTRIES LIMITED TO ACQUIRE ALL THE
ISSUED SHARES OF CPM GROUP LIMITED (OTHER THAN THOSE SHARES
ALREADY OWNED AND/OR AGREED TO BE ACQUIRED
BY THE OFFERORS, CNT AND PARTIES ACTING IN CONCERT WITH
ANY OF THEM) AND TO CANCEL ALL THE
OUTSTANDING SHARE OPTIONS OF CPM GROUP LIMITED**

We refer to this Composite Document dated 24 June 2026 jointly issued by the Offerors and CPM, of which this letter forms part. Unless specified otherwise, terms used herein shall have the same meanings as those defined in this Composite Document. This letter forms an integral part of this Composite Document.

We have been appointed by the CPM Board to form the Independent CPM Board Committee to consider the CPM Offers and to advise the Independent CPM Shareholders and the Independent CPM Optionholders as to whether, in our opinion, the CPM Offers are fair and reasonable and to make a recommendation as to acceptance of the CPM Offers.

Ample Capital Limited has been approved and appointed by the Independent CPM Board Committee as the Independent CPM Financial Adviser to advise us in respect of the CPM Offers and as to whether the CPM Offers are fair and reasonable, and as to acceptance of the CPM Offers. The text of the advice letter of the Independent CPM Financial Adviser is set forth in the section headed “Letter from the Independent CPM Financial Adviser” in this Composite Document.

We also wish to draw your attention to “Letter from Yu Ming”, “Letter from the CPM Board” and the additional information set forth in this Composite Document, including the appendices to this Composite Document and the accompanying Forms of Acceptance in respect of the terms of the CPM Offers and the acceptance and settlement procedures for the CPM Offers.

LETTER FROM THE INDEPENDENT CPM BOARD COMMITTEE

RECOMMENDATION

Having considered the terms of the CPM Offers, the information contained in this Composite Document and the principal factors and reasons considered by, and the independent advice of the Independent CPM Financial Adviser, as set forth in its letter of advice, we consider that the CPM Offers (including the CPM Share Offer Price and CPM Option Offer Price) are not fair and reasonable so far as the CPM Shareholders and the CPM Optionholders are concerned. Therefore, we recommend the Independent CPM Shareholders not to accept the CPM Share Offer, and the Independent CPM Optionholders to accept the CPM Option Offer if the Independent CPM Optionholders chose not to exercise their CPM Share Options.

For those Independent CPM Shareholders who wish to realise their investments in CPM, we recommend that they consider disposing of their CPM Shares in the open market, rather than accepting the CPM Share Offer, if the net proceeds from the sale of such CPM Shares in the open market would exceed the net proceeds receivable under the CPM Offers. Nevertheless, the Independent CPM Shareholders should also note that they may not be able to realise their investments in the CPM Shares at a price higher than the CPM Share Offer Price when they are going to dispose of their partial or entire holdings. In such circumstances, the CPM Share Offer might provide an exit alternative for the Independent CPM Shareholders who would like to realise their investments in the CPM Shares at the CPM Share Offer Price of HK\$0.0562.

In addition, we would like to remind the Independent CPM Shareholders and the Independent CPM Optionholders (for the Independent CPM Optionholders, if they opt to exercise their rights under the CPM Share Options to subscribe for the new CPM Shares) that if they consider retaining their CPM Shares or tendering less than all their CPM Shares under the CPM Share Offer should carefully consider the potential difficulties they may encounter in disposing their investments in the CPM Shares after the close of the CPM Offers in view of the historical low liquidity of the CPM Shares and there is no guarantee that the prevailing level of the CPM Share price will sustain during and after the CPM Offer Period.

The Independent CPM Optionholders are also reminded that in accordance with the CPM Share Option Scheme, the unexercised CPM Share Options will lapse automatically upon the close of the CPM Offers as detailed in the paragraph headed “1. PROCEDURES FOR ACCEPTANCE” set out in the Appendix I to the Composite Document.

As each individual Independent CPM Shareholder and the Independent CPM Optionholder would have different investment objectives and/or circumstances, we recommend any Independent CPM Shareholders and the Independent CPM Optionholders who may require advice in relation to any aspect of the CPM Offers and/or the Composite Document, or as to the action to be taken, to consult a licensed securities dealer, bank manager, solicitor, professional accountant, tax adviser or other professional adviser. Furthermore, they should carefully read the procedures for accepting the CPM Offers as set out in the Composite Document, its appendices and the accompanying Forms of Acceptance.

LETTER FROM THE INDEPENDENT CPM BOARD COMMITTEE

Notwithstanding our recommendations, the Independent CPM Shareholders and the Independent CPM Optionholders are strongly recommended to read the full text of the “Letter from the Independent CPM Financial Adviser” as set forth in this Composite Document before making their decisions, if in doubt, the Independent CPM Shareholders and the Independent CPM Optionholders should consult their own professional advisers.

Yours faithfully,

For and on behalf of the Independent CPM Board Committee,

Mak Chi Wah

Non-executive

CPM Director

Chua Joo Bin

Independent

non-executive

CPM Director

Xia Jun

Independent

non-executive

CPM Director

Meng Jinxia

Independent

non-executive

CPM Director

LETTER FROM THE INDEPENDENT CPM FINANCIAL ADVISER

The following is the text of a letter of advice from the Independent CPM Financial Adviser to the Independent CPM Board Committee in respect of the CPM Offers, which has been prepared for the purpose of incorporation into this Composite Document.

AmCap

Ample Capital Limited

豐盛融資有限公司

Ample Capital Limited
Room 903, Far East Consortium Building
121 Des Voeux Road Central, Hong Kong
Hong Kong

24 June 2026

*To the Independent Board Committee of
CPM Group Limited*

Dear Sirs/Madams,

**MANDATORY UNCONDITIONAL CASH OFFERS BY
YU MING INVESTMENT MANAGEMENT LIMITED ON BEHALF OF
PRIME SURPLUS LIMITED AND SHK HONG KONG INDUSTRIES LIMITED
TO ACQUIRE ALL THE ISSUED SHARES OF CPM GROUP LIMITED
(OTHER THAN THOSE SHARES ALREADY OWNED
AND/OR AGREED TO BE ACQUIRED BY THE OFFERORS, CNT
AND PARTIES ACTING IN CONCERT WITH ANY OF THEM)
AND TO CANCEL ALL THE OUTSTANDING SHARE OPTIONS OF
CPM GROUP LIMITED**

INTRODUCTION

We refer to our engagement as the Independent CPM Financial Adviser to the Independent CPM Board Committee in respect of the CPM Offers, details of which are set out in the letter from the CPM Board contained in the Composite Document dated 24 June 2026 jointly issued by the Offerors and CPM, of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Composite Document unless the context requires otherwise.

Reference is made to (i) the Joint Announcement in relation to the CNT Offer and the CPM Offers; (ii) the CNT Composite Document in relation to the CNT Offer; and (iii) the announcement dated 17 June 2026 jointly issued by the Offerors, CNT and CPM in respect of, among other things, the CNT Offer having become unconditional in all respects and the satisfaction of the pre-condition to the CPM Offers.

The CNT Offer became unconditional in all respects on 17 June 2026. The Offerors and parties acting in concert with any of them together hold more than 50% of the voting rights in CNT as a result of the CNT Offer. Therefore, pursuant to the chain principle in Note 8 to Rule 26.1 of the Takeovers Code, Yu Ming, on behalf of the Offerors, makes the CPM Offers.

LETTER FROM THE INDEPENDENT CPM FINANCIAL ADVISER

THE INDEPENDENT CPM BOARD COMMITTEE

Pursuant to Rule 2.1 of the Takeovers Code, the Independent CPM Board Committee, comprising Mr. Mak Chi Wah, the non-executive CPM Director and all independent non-executive CPM Directors, namely, Mr. Chua Joo Bin, Mr. Xia Jun and Ms. Meng Jinxia, has been established to advise the Independent CPM Shareholders and the Independent CPM Optionholders as to whether the CPM Offers are fair and reasonable and as to acceptance of the CPM Offers. We, Ample Capital Limited (“**Ample Capital**”), have been appointed as the Independent CPM Financial Adviser with the approval of the Independent CPM Board Committee to advise the Independent CPM Board Committee in respect of the CPM Offers and, in particular, as to whether the CPM Offers are fair and reasonable and as to the acceptance of the CPM Offers pursuant to Rule 2.1 of the Takeovers Code.

OUR INDEPENDENCE

As at the Latest Practicable Date, we are independent from and not connected with CPM, the Offerors, any of their respective substantial shareholders, or any party acting, or presumed to be acting, in concert with any of them. During the past two years immediately preceding and up to the date of our appointment as the Independent CPM Financial Adviser, save for this appointment as the Independent CPM Financial Adviser in respect of the CPM Offers, we, Ample Capital Limited, have no other connection, financial, business or otherwise with and there were no other engagements between Ample Capital and CPM, the Offerors, any of their respective substantial shareholders, or any party acting, or presumed to be acting, in concert with any of them. Apart from the normal advisory fee payable to us in connection with our appointment as the Independent CPM Financial Adviser to advise the Independent CPM Board Committee, no arrangement exists whereby we shall receive any other fees or benefits from the Offerors and CPM or any of their respective substantial shareholders or any person acting, or deemed to be acting, in concert with any of them. Accordingly, we are considered eligible to give independent advice on the CPM Offers.

BASIS OF OUR OPINION

In formulating our opinion and advice, we have relied on the statements, information, opinions and representations contained or referred to in the Composite Document and the information and representations provided to us by the CPM Group, the CPM Directors and/or senior management of CPM (the “**CPM Management**”). We have assumed that all information, representations and opinions contained or referred to in the Composite Document or made, given or provided to us by CPM, the CPM Directors and the CPM Management, for which they are solely and wholly responsible, were true and accurate and complete in all material respects at the time when they were made and continue to be so as at the Latest Practicable Date. We have assumed that all the opinions and representations made by the CPM Directors in the Composite Document have been reasonably made after due and careful enquiry. We have reviewed, among other things, (i) the Joint Announcement; (ii) the Composite Document; (iii) the annual report of CPM for the year ended 31 December 2025 (the “**2025 Annual Report**”); and (iv) other information obtained from the public domain.

LETTER FROM THE INDEPENDENT CPM FINANCIAL ADVISER

We consider that we have been provided with sufficient information on which to form a reasonable basis for our opinion. We have no reason to suspect that any relevant information has been withheld, nor are we aware of any fact or circumstance which would render the information provided and representations made to us untrue, inaccurate or misleading. We consider that we have performed all the necessary steps to enable us to reach an informed view and to justify our reliance on the information provided so as to provide a reasonable basis for our opinion. We have also assumed that all statements of opinion made by the CPM Directors and the CPM Management in the Composite Document were reasonably made after due enquiries and careful consideration. The CPM Directors have confirmed, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this Composite Document (other than that expressed by the director(s) of each of the Offerors in their capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any statements in this Composite Document misleading. In addition, the directors of SHK and AGL have confirmed, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this Composite Document (other than opinions expressed by the CPM Directors and the sole director of Prime Surplus) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any statement in this Composite Document misleading. The sole director of Prime Surplus has confirmed, having made all reasonable inquiries, that to the best of his knowledge, opinions expressed in this Composite Document (other than opinions expressed by the directors of SHK and the opinions expressed by the CPM Directors in their capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any statement in this Composite Document misleading. Should there be any material changes to such information and representations and/or our opinion contained in this letter after the Latest Practicable Date, the CPM Shareholders and CPM Optionholders would be notified as soon as possible in accordance with Rule 9.1 of the Takeovers Code.

While we have taken reasonable steps to satisfy the requirements under the Takeovers Code and the Listing Rules, we have not carried out any independent verification of the information, opinions or representations given or made by or on behalf of CPM as set out in the Composite Document, nor have we conducted an independent investigation into the business affairs or assets and liabilities of the CPM Group or any of the other parties involved in the CPM Offers.

We have not considered the tax and regulatory implications on the CPM Shareholders and CPM Optionholders of acceptance or non-acceptance of the CPM Offers since these depend on their individual circumstances. In particular, the CPM Shareholders and CPM Optionholders who are resident overseas or subject to overseas taxes or Hong Kong taxation on securities dealings should consider their own tax positions, and if in any doubt, should consult their own professional adviser.

This letter is issued for the information for the Independent CPM Board Committee, the CPM Shareholders and CPM Optionholders solely in connection with their consideration of the CPM Offers, and except for its inclusion in the Composite Document, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent.

LETTER FROM THE INDEPENDENT CPM FINANCIAL ADVISER

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion and recommendations, we have taken into consideration the following principal factors and reasons. Our conclusions are based on the results of all analyses taken as a whole.

1. Background of the CPM Offers

The CNT Board was informed by Prime Surplus that on 10 April 2026, it had acquired 88,723,592 CNT Shares from the Seller for a consideration of HK\$8,872,359.2, equivalent to approximately HK\$0.1 per Sale Share, by entering into the bought and sold notes and the standard form of transfer. The Sale Shares represent approximately 4.66% of the total issued CNT Shares. Completion of the acquisition took place on 10 April 2026.

Pursuant to Rule 26.1 of the Takeovers Code, the Offerors are required to make a mandatory conditional cash offer for all the issued CNT Shares (other than those already owned and/or agreed to be acquired by the Offerors and parties acting in concert with any of them).

Immediately following completion of the acquisition and as at the date of the Joint Announcement, the Offerors holds 34.38% of the voting rights in CNT, which in turn holds 75.00% of the voting rights in CPM.

The CNT Offer became unconditional in all respects on 17 June 2026. The Offerors and parties acting in concert with any of them together hold more than 50% of the voting rights in CNT as a result of the CNT Offer. Therefore, pursuant to the chain principle in Note 8 to Rule 26.1 of the Takeovers Code, the Offerors are required to make a mandatory unconditional cash offer for all the issued CPM Shares (other than those shares already owned and/or agreed to be acquired by the Offerors, CNT and parties acting in concert with any of them) and a mandatory unconditional cash offer to cancel all outstanding CPM Share Options (other than those share options already owned and/or agreed to be acquired by the Offerors, CNT and parties acting in concert with any of them).

Yu Ming, on behalf of the Offerors, is making the CPM Offers to acquire all the CPM Offer Shares and to cancel all CPM Share Options in compliance with the Takeovers Code on the basis set out below:

The CPM Share Offer

For each CPM Offer Share HK\$0.0562 in cash

The CPM Option Offer

For each CPM Share Option HK\$0.0001 in cash

As the exercise price of the outstanding CPM Share Options is above the CPM Share Offer Price, the outstanding CPM Share Options are out of the money and the offer price for cancellation of each CPM Share Option is set at a nominal value of HK\$0.0001, in cash.

LETTER FROM THE INDEPENDENT CPM FINANCIAL ADVISER

2. Background and information and financial overview of the CPM Group

2.1 *Principal business*

As stated in the Composite Document, CPM is a company incorporated in the Cayman Islands with limited liability, the CPM Shares are listed on the Main Board. The CPM Group is principally engaged in (i) the manufacture and sale of paint and coating products; and (ii) property investment.

Paint and coating products

The CPM Group is engaged in the wholesale and retail trade of paint and coating products in the PRC and Hong Kong, which can be broadly divided into (i) industrial paint and coating products; (ii) architectural paint and coating products; and (iii) general paint and coating and ancillary products.

Industrial paint and coating products are used in a wide range of applications, such as furniture painting, manufacturing and surface finishing for different kinds of materials, and are used by manufacturers, renovation contractors for property and infrastructure projects and household users. Architectural paint and coating products are used for walls, floors and exterior parts of buildings. The CPM Group's architectural paint and coating products focus primarily on the construction and maintenance markets of commercial and residential properties. General paint and coating and ancillary products, such as thinner, enamels, anti-mold agents and solvent agents, can be used for both architectural and industrial purposes.

Property investment

As at 31 December 2025, the CPM Group's investment property portfolio comprised of 6 properties (31 December 2024: 6) with a total land area of 175,675.8 square meters ("**sq.m.**") (31 December 2024: 175,675.8 sq.m.) and a total gross floor area of 76,295.3 sq.m. (31 December 2024: 76,295.3 sq.m.). These investment properties are industrial properties and a commercial property located in the PRC, which generate stable recurring income and cash flows for long-term strategic and investment purposes.

LETTER FROM THE INDEPENDENT CPM FINANCIAL ADVISER

2.2 Financial information of the CPM Group

Set out below are the summarised consolidated income statements of the CPM Group for the years ended 31 December 2024 and 2025 (“FY2024” and “FY2025”, respectively) as extracted from the 2025 Annual Report.

	For the year ended		% change
	31 December		
	2025	2024	
	<i>HK\$'000</i>	<i>HK\$'000</i>	
	(audited)	(audited)	
Revenue	241,091	321,352	(24.97)
– Paint and coating products	222,679	298,341	(25.36)
• Industrial paint and coating products	<i>127,681</i>	<i>151,138</i>	<i>(15.52)</i>
• Architectural paint and coating products	<i>37,729</i>	<i>69,933</i>	<i>(46.05)</i>
• General paint and coating and ancillary products	<i>57,269</i>	<i>77,270</i>	<i>(25.88)</i>
– Property investment	18,412	23,011	(19.99)
Cost of sales	(140,513)	(192,034)	(26.83)
Gross profit	100,578	129,318	(22.22)
Loss before tax	(46,626)	(49,585)	(5.97)
(Loss) for the year	(46,047)	(47,984)	(4.04)
(Loss) for the year attributable to:			
Owners of the parent	(45,982)	(47,915)	(4.03)
Non-controlling interest	(65)	(69)	(5.80)
	As at 31 December		% change
	2025	2024	
	<i>HK\$'000</i>	<i>HK\$'000</i>	
	(audited)	(audited)	
Non-current assets	425,720	438,683	(2.95)
Current assets	280,955	365,313	(23.09)
Total assets	706,675	803,996	(12.10)
Non-current liabilities	179,968	152,674	17.88
Current liabilities	169,550	270,259	(37.26)
Total liabilities	349,518	422,933	(17.36)
Net assets	357,157	381,063	(6.27)

LETTER FROM THE INDEPENDENT CPM FINANCIAL ADVISER

As set out in the 2025 Annual Report, the CPM Group's total revenue FY2025 amounted to approximately HK\$241.09 million, which included the sales of paint and coating products of HK\$222.68 million and rental income from investment properties of HK\$18.41 million. The amount of the total revenue represented a significant decrease of 25.0%, as compared to the CPM Group's total revenue of HK\$321.35 million in 2024, which included sales of the paint and coating products of HK\$298.34 million and rental income from investment properties of HK\$23.01 million.

Paint and coating products

For the FY2025, the CPM Group experienced a significant decline in sales to industrial manufacturers in the PRC, which significantly decreased by 14.9% to approximately HK\$74.11 million, from approximately HK\$87.13 million FY2024. The decrease in revenue in paint and coating segment was primarily attributed to fierce competition within the paint and coating market, driven by decreased sales to property developers amid a sluggish real estate environment. Additionally, many manufacturers reduced their selling prices to attract distributors and mitigate revenue losses stemming from lower demand, which further intensified competitive pressures. Moreover, the CPM Group adopted a flexible pricing strategy to address the significant challenges and increased competition faced by wholesale and retail distributors, compared to the FY2024.

Property investment

Rental income from the CPM Group's investment properties decreased by approximately 20.0% compared to the FY2024. This decrease was predominantly attributable to the cancellation of the appreciation rental clause in existing tenancy agreements, which was influenced by a recent downturn in rental prices within the PRC. Consequently, this adjustment affected the effective rent calculations in the accounting treatment. Despite the decline in rental income, the overall cash generation from investment properties slightly increased, as compared to the FY2024. Furthermore, owing to the appreciation of the Renminbi, the total value of the CPM Group's investment properties decreased slightly to HK\$292.17 million as at 31 December 2025, down from HK\$295.28 million as at 31 December 2024.

LETTER FROM THE INDEPENDENT CPM FINANCIAL ADVISER

Loss position

Despite the prevailing challenging market conditions, the CPM Group recorded a notable decline in revenue of 25.0% FY2025. However, the CPM Group's gross profit only decreased by 22.2%, which represented a better outcome compared to the revenue decline, thereby enhancing the gross profit margins for the year. The CPM Group successfully implemented reductions in operating expenses and improved the management of outstanding aged trade and bills receivables. This improvement enabled the reversal of certain provisions for impairment of trade and bills receivables, reflecting the CPM Group's ongoing commitment to minimising losses and enhancing gross profit margins. Through the ongoing implementation of effective business revamp measures and initiatives, the CPM Group's overall performance continued to improve compared with the FY2024. Nevertheless, the CPM Group's loss FY2025 diminished by 4.0%, amounting to HK\$46.05 million, as compared to HK\$47.98 million FY2024.

Total assets

Total assets of the CPM Group decreased from approximately HK\$804.0 million as at 31 December 2024 to approximately HK\$706.68 million in 2025. As at 31 December 2025, the CPM Group held non-current assets of approximately HK\$425.72 million, compared with HK\$438.68 million as at 31 December 2024, and current assets of approximately HK\$280.96 million, compared with HK\$365.31 million as at 31 December 2024. Major non-current assets included investment properties of approximately HK\$292.17 million as at 31 December 2025, compared with HK\$295.28 million as at 31 December 2024, and property, plant and equipment of approximately HK\$85.00 million as at 31 December 2025, compared with HK\$90.79 million as at 31 December 2024, while current assets primarily consisted of cash and cash equivalents of approximately HK\$143.60 million as at 31 December 2025, compared with HK\$169.25 million as at 31 December 2024.

The decline in total assets was mainly driven by a reduction in trade and bills receivables from HK\$103.63 million to HK\$64.47 million, as certain aged balances were settled and credit management was tightened during the year. Cash and cash equivalents also decreased from HK\$169.25 million to HK\$143.60 million, reflecting the use of funds for operating needs and financing activities. Pledged deposits fell from HK\$22.21 million to HK\$14.69 million, mainly because fewer deposits were required to support banking facilities. Property, plant and equipment declined from HK\$90.79 million to HK\$85.00 million, largely due to depreciation and the disposal or reclassification of underutilised production assets. Investment properties decreased from HK\$295.28 million to HK\$292.17 million, mainly because of higher fair value losses arising from the weak PRC property market.

Total liabilities

The decrease in total liabilities was mainly attributable to lower trade and bills payables and a substantial reduction in current interest-bearing bank borrowings. Trade and bills payables fell from HK\$125.44 million to HK\$87.42 million, reflecting lower purchasing needs and the settlement of payables during the year. The interest-bearing bank borrowings as at 31 December 2025 decreased sharply from HK\$88.08 million to HK\$27.27 million, mainly because the CPM Group refinanced and restructured its borrowings by replacing higher-cost short-term funding with more efficient longer-term facilities. Lease liabilities also declined from HK\$3.26 million to HK\$2.62 million as lease obligations were gradually repaid. These decreases were partly offset by the increase in non-current interest-bearing bank borrowings from nil to HK\$65.89 million and loans from the parent group of HK\$71.49 million, which formed part of the CPM Group's financing optimization.

3. Future prospects and business plans of the CPM Group

Business outlook

The paint and coating market in the PRC continues to be primarily driven by rapid urbanisation and significant growth in the automotive and industrial manufacturing sectors. These industries create stable demand for both architectural and industrial paint and coating products, effectively maintaining the baseline levels of consumption, regardless of fleeting stylistic trends or technological developments. Nevertheless, the market is currently facing substantial challenges due to the decline in the domestic real estate sector within the PRC. According to Savills' China Property Outlook 2026¹, property investment volumes in the PRC reached a decade-low of approximately RMB190 billion by the end of 2025 due to a wide pricing gap between buyers and sellers. While nominal interest rates remain low in China, low/negative inflation has pushed effective (real) interest rates to historically high levels. This has disincentivized real estate investment, driving private capital into fixed-income or cash preservation instead. According to Goldman Sachs², China's property sector is in its fifth year of decline. Most property activity indicators – such as new home starts, sales, and property investment – are down 50%-80% from their 2020-2021 peaks. There is no sign of the property market reaching a bottom yet. Housing inventory remains elevated, and some large developers still face challenging funding conditions. With the effects of fewer new residential housing projects still feeding through to property construction and investment, Shan writes, there appears to be no “quick fix” for the property sector. This downturn has directly affected the demand for architectural paint and coating products, leading to a deceleration in overall production growth, even as other areas of the economy display resilience.

¹ Breaking the Cycle: Back to Basics China Property Outlook 2026 - January 2026 by Savills, <https://pdf.savills.asia/selected-international-research/2026-outlook-en-final.pdf>

² China's Economy is Expected to Grow 4.8% in 2026 Amid Surging Exports, Jan 8, 2026 by Goldman Sachs, <https://www.goldmansachs.com/insights/articles/chinas-economy-expected-to-grow-in-2026-amid-surging-exports>

LETTER FROM THE INDEPENDENT CPM FINANCIAL ADVISER

In addition, the ongoing Russo-Ukrainian tensions and their significant impact on crude oil prices led to the price risen above USD100 per barrel and exhibit considerable volatility, largely driven by concerns surrounding potential conflicts involving Iran, particularly in relation to the United States and Israel. Following intense clashes earlier in the year, crude oil price spiked to a massive peak of USD112 per barrel in early April when the Strait of Hormuz faced de facto closure, temporarily cutting off nearly 20% of global oil supplies. According to the U.S. Energy Information Administration (EIA), global oil markets are in a period of heightened volatility. In its recent Short-Term Energy Outlook³, the EIA estimated that production shut-ins caused by Middle East disruptions would peak or trigger massive global inventory draws. The EIA notes that because of these disruptions, global inventories are shrinking through the second quarter of 2026, which is keeping physical spot market prices heavily supported. These developments create substantial cost pressures within the paint and coating industry, primarily due to inflation affecting the prices of raw materials necessary for the CPM Group's manufacturing processes. It is crucial for the CPM Group to carefully evaluate whether to absorb these increased costs or to pass them on to end consumers of the CPM Group. This decision will play a vital role in influencing the CPM Group's financial performance and pricing strategy within the marketplace.

For the property investment segment, the CPM Group strategically relocated its production facilities, which has allowed for the reclassification of these properties as investment properties, thereby providing a source of consistent rental income. Furthermore, the CPM Group may choose to divest certain properties to finance its business operations and expansion strategies, enabling the CPM Group to sustain its operations through rental income while generating additional capital through property sales, thus enhancing its overall financial position.

Business plans

As outlined in the 2025 Annual Report, the CPM Group is committed to expanding its reach and enhancing business opportunities by actively engaging with both existing and prospective wholesalers across the PRC, Hong Kong, and other regions. Simultaneously, the CPM Group is optimising its financing arrangements by reducing borrowings and borrowing costs, as well as improving the efficiency of the CPM Group's recovery processes from trade and bills receivables. The CPM Group is implementing a series of business initiatives focused on achieving these objectives. These initiatives include,

- (i) exploring diversified financing facilities to ensure sustainable liquidity;
- (ii) seeking advantageous terms to minimise interest burdens on the borrowings of the CPM Group; and
- (iii) expediting the turnover of trade and bills receivables through improved credit management practices.

³ Short-term Energy Outlook, April 2026 by U.S. Energy Information Administration (EIA)
<https://www.eia.gov/outlooks/steo/archives/apr26.pdf>

LETTER FROM THE INDEPENDENT CPM FINANCIAL ADVISER

Moving forward, the CPM Group implements several business initiatives including leveraging strategic partnerships for product expansion and market reach, strategic financial restructuring and optimisation by borrowing rearrangements to enhance liquidity, extending banking facilities which is low-cost and long-term borrowings in the PRC to replace higher-cost and short-term borrowings previously acquired in Hong Kong, and utilisation of Renminbi borrowing funds as an internal natural hedge to manage currency risk.

4. Background of the Offerors and Reasons for the CPM Offers

4.1 Information of the Offerors

Prime Surplus and SHK are the Offerors of the CPM Offers.

As disclosed in the letter from Yu Ming, Prime Surplus is a BVI business company incorporated in the British Virgin Islands with limited liability. Prime Surplus is principally engaged in investment holding. As at the Latest Practicable Date, Mr. Tsui is the sole shareholder and sole director of Prime Surplus. Mr. Tsui is also a non-executive CNT Director, an executive director, the chairman and managing director of CPM.

SHK is a company incorporated in Hong Kong with limited liability. SHK is principally engaged in investments in listed and unlisted financial instruments. SHK was formerly listed on the Main Board of the Stock Exchange. The listing of SHK was withdrawn on 23 April 2021. Mr. Mark Wong Tai Chun and Mr. Lee Wa Lun, Warren are the directors of SHK. As at the Latest Practicable Date, SHK is an indirect wholly-owned subsidiary of AGL.

AGL is a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange. The principal business activity of AGL is investment holding. The principal business activities of its major subsidiaries are development and investment of residential, office and commercial properties, hospitality related activities, investment and operation of hospital, eldercare and health related businesses, provision of property management, cleaning and security guarding services, and the provision of finance, investments in listed and unlisted securities and funds management.

As at the Latest Practicable Date, AGL is beneficially owned as to approximately 75.42% by Lee and Lee Trust (inclusive of Mr. Lee Seng Hui's personal interests of approximately 0.01%), being a discretionary trust.

LETTER FROM THE INDEPENDENT CPM FINANCIAL ADVISER

When Prime Surplus contemplated the purchase of the Sale Shares, it was aware that it may be required to make the CPM Offers under the Takeovers Code. Prime Surplus invited SHK to jointly make the CPM Offers. SHK considers the CPM Offers an attractive investment opportunity as the CPM Share Offer Price represents a deep discount to the market price of the shares and net asset value per share of CPM. SHK and Prime Surplus will use SHK's internal resources and the personal financial resources of Mr. Tsui to settle the acceptance of the CPM Offers, respectively. Prime Surplus intends to take up all tendered shares in the CPM Offers. However, in the event that Prime Surplus's funding falls short to settle the consideration for the tendered shares in the CPM Offers, SHK will take up such tendered shares. For the avoidance of doubt, SHK has earmarked sufficient fund from its internal resources to finance the CPM Offers to the satisfaction of Yu Ming, and will utilize the earmarked fund to settle any tendered shares which are not taken up by Prime Surplus. This arrangement is mutually agreed between the Offerors and no agreement has been entered in this regard.

4.2 Intentions of the Offerors

As set out in the letter from Yu Ming, the Offerors do not have any particular plans and strategies regarding the future development of the CPM Group and intend to continue the existing businesses of the CPM Group. The Offerors have no intention to (i) introduce any major changes to the existing business and operation of the CPM Group; (ii) discontinue the employment of any employees of the CPM Group to make significant changes to any employment; or (iii) dispose of or re-deploy the fixed assets of CPM other than those in its ordinary and usual course of business. However, the Offerors will continuously review the business of the CPM Group and the Offerors reserve the right to make such changes that it deems necessary or appropriate to the CPM Group's business and operations to optimise the value of the CPM Group.

The Offerors have no intention, understanding, obligation, negotiation or arrangement (concluded or otherwise) to downsize, cease or dispose of any of the existing businesses of the CPM Group.

4.3 Public Float of CPM

As disclosed in the letter from Yu Ming, The Stock Exchange has stated that:

- (a) if, at the close of the CPM Offers, the Stock Exchange believes that:
- a false market exists or may exist in the trading of the CPM Shares; or
 - an orderly market does not exist or may not exist;

it will consider exercising its discretion to suspend dealings in the CPM Shares; and

LETTER FROM THE INDEPENDENT CPM FINANCIAL ADVISER

- (b) if, at the close of the CPM Offers, CPM has a Significant Public Float Shortfall (as defined in Rule 13.32F of the Listing Rules), then:
- the Stock Exchange will add a designated marker to the stock name of the CPM Shares; and
 - the Stock Exchange will cancel the listing of the CPM Shares if CPM fails to re-comply with Rule 13.32B of the Listing Rules for a continuous period of 18 months from the commencement of the Significant Public Float Shortfall.

The Offerors intend CPM to remain listed on the Stock Exchange. The directors of the Offerors and the CPM Directors have jointly undertaken to the Stock Exchange that if, at the close of the CPM Offers, CPM fails to comply with the requirement of Rule 13.32B of the Listing Rules, they will take appropriate steps to ensure the CPM's compliance with Rule 13.32B of the Listing Rules at the earliest possible moment. CPM will make an application to the Stock Exchange for a temporary waiver from strict compliance with Rule 8.08(1) of the Listing Rules in case less than 25% of the CPM Shares will be held by the public upon the close of the CPM Offers in accordance with Rule 13.33 of the Listing Rules. The steps that the Offerors may take include but not limited to placing down or selling sufficient number of accepted CPM Shares which they will acquire under the CPM Share Offer to selected Independent Third Parties, or in the market. No arrangements have been confirmed or put in place as at the Latest Practicable Date. Further announcement(s) regarding the restoration of public float (if any) will be made by CPM as and when appropriate.

The Offerors do not intend to avail themselves of any powers of compulsory acquisition of any CPM Shares outstanding after the close of the CPM Offers.

4.4 Our View

As mentioned in the 2025 Annual Report, looking ahead to 2026, the CPM Board expected that paint and coating industry in the PRC would face continued challenges, although the pace of decline in demand may slow. The “15th Five-Year Plan” is expected to support investment and domestic demand, with urban renewal, electric vehicles, and container applications such as energy storage likely to provide new growth drivers, even as weaker new construction in the real estate sector may keep overall demand subdued.

At the same time, excess capacity and insufficient demand are expected to continue making price recovery difficult, while volatile crude oil prices are likely to add further cost pressure through higher raw material costs. Against this backdrop, the CPM Group plans to focus on innovation, operational efficiency, product quality, and supply continuity in order to enhance financial performance and respond to changing market conditions. Taking into account the abovementioned and the fact that CPM Group has been in loss-making position in recent years, we consider that CPM's outlook remains challenging, notwithstanding that the CPM Board has shown itself committed to enhance the CPM Group's value and improve its financial position, such that the loss position has exhibited a downward trend since FY2022, showing signs of improvement.

LETTER FROM THE INDEPENDENT CPM FINANCIAL ADVISER

Given that Mr. Tsui, being the sole shareholder and sole director of Prime Surplus, the executive director, the chairman and managing director of CPM, the CPM Offers are not expected to result in any direct or material change to, or enhancement of, the expertise of the CPM Board. Having considered that the Offerors intended to continue with the CPM Group's existing principal business and the Offerors have no intention to (i) introduce any major changes to the existing business and operation of the CPM Group; (ii) discontinue the employment of any employees of the CPM Group in their ordinary courses; or (iii) re-deploy the fixed assets of CPM other than those in its ordinary and usual course of business. Despite that the Offerors will continuously review the business of the CPM Group and the Offerors reserve the right to make such changes that it deems necessary or appropriate to the CPM Group's business and operations to optimise the value of the CPM Group, we do not expect that there would be substantial change in the principal business activities of the CPM Group as a direct result of the CPM Offers and shortly after the CPM Offers.

5. Principal terms of the CPM Offers

5.1 The CPM Share Offer Price

For every CPM Offer Share HK\$0.0562 in cash

The CPM Offer Price at HK\$0.0562 for each CPM Offer Share has been determined based on the Pacpo Formula set out in Practice Note 19 to the Takeovers Code, taking into consideration (i) the CNT Offer Price of HK\$0.1 per CNT Offer Share; (ii) the audited consolidated total net asset values of CNT and CPM attributable to owners as at 31 December 2025, being approximately HK\$1,196.1 million and HK\$353.1 million, respectively; (iii) the total number of CNT Shares and CPM Shares as at the date of the Joint Announcement, being 1,903,685,690 and 1,000,000,000, respectively; and (iv) the fact that CNT through its wholly-owned subsidiary, CNT Enterprises Limited, holds 750,000,000 CPM Shares (representing 75.00% of the voting rights of CPM) as at the date of the Joint Announcement.

The CPM Offer Shares to be acquired under the CPM Share Offer shall be fully paid and free from all Encumbrances and together with all rights and interests attaching thereto, including all rights to any dividend or other distribution declared, made or paid on or after the date on which the CPM Offers are made, being the date of the despatch of this Composite Document.

Based on the Pacpo Formula, the CPM Share Offer Price of HK\$0.0562 per CPM Offer Share is calculated as follows:

$$\frac{\text{Net asset values of CPM} \times \text{CNT's \% equity interest in CPM}}{\text{Net asset values of CNT}} \times \frac{\text{CNT Offer Price of HK\$0.1 per CNT Offer Share} \times \text{Total CNT Shares in issue}}{\text{Number of CPM Shares held by CNT}}$$

Note: The net asset value of the CNT and CPM represents the audited consolidated total net asset values of CNT and CPM attributable to owners as at 31 December 2025.

LETTER FROM THE INDEPENDENT CPM FINANCIAL ADVISER

5.2 *The CPM Option Offer*

For every CPM Share Option HK\$0.0001 in cash

As the exercise price of the outstanding CPM Share Options is above the CPM Share Offer Price, the outstanding CPM Share Options are out of the money and the offer price for cancellation of each CPM Share Option is set at a nominal value of HK\$0.0001, in cash.

As at the Latest Practicable Date, there are a total of 60,000,000 outstanding CPM Share Options, carrying rights to subscribe for 60,000,000 new CPM Shares with an exercise price of HK\$0.335 per CPM Share Option, out of which 10,000,000 CPM Share Options are held by Mr. Tsui.

If any CPM Share Option is exercised by the CPM Optionholders in accordance with the terms of the relevant CPM Share Option Scheme prior to the close of the CPM Share Offer, any CPM Shares issued as a result of such exercise will be subject to the CPM Share Offer.

Pursuant to the terms of the CPM Share Option Scheme, in the event that a general offer is made to all CPM Shareholders (or all such CPM Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror (as defined in the Takeovers Codes)) and such offer becomes or is declared unconditional during the option period of the relevant CPM Share Option, the grantee shall be entitled to exercise the CPM Share Option in full (to the extent not already exercised) at any time up to the close of the offer or the record date for entitlements under the scheme of arrangement, as the case may be.

The CPM Offers are extended to all CPM Shareholders and CPM Optionholders other than the Offerors, CNT and parties acting in concert with any of them in accordance with the Takeovers Code. As at the Latest Practicable Date, CPM has 1,000,000,000 CPM Shares in issue. Save for the 1,000,000,000 CPM Shares and 60,000,000 outstanding CPM Share Options in issue, there are no outstanding CPM Shares, options, warrants, derivatives or securities convertible or exchangeable into Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code).

5.3 *Comparisons of value of the CPM Share Offer Price*

The CPM Share Offer Price of HK\$0.0562 per CPM Share Offer represents:

- (a) a discount of approximately 77.43% to the closing price of HK\$0.249 per CPM Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a discount of approximately 76.39% to the average closing price of approximately HK\$0.238 per CPM Share as quoted on the Stock Exchange for the last five (5) consecutive trading days up to and including the Last Trading Day;

LETTER FROM THE INDEPENDENT CPM FINANCIAL ADVISER

- (c) a discount of approximately 76.49% to the average closing price of approximately HK\$0.239 per CPM Share as quoted on the Stock Exchange for the last ten (10) consecutive trading days up to and including the Last Trading Day;
- (d) a discount of approximately 77.79% to the average closing price of approximately HK\$0.253 per CPM Share as quoted on the Stock Exchange for the last thirty (30) consecutive trading days up to and including the Last Trading Day;
- (e) a discount of approximately 76.58% to the closing price of HK\$0.240 per CPM Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (f) a discount of approximately 84.08% to the audited consolidated net asset value attributable to owners of CPM of approximately HK\$0.353 per CPM Share as at 31 December 2025 calculated based on the information as set out in the 2025 Annual Report and 1,000,000,000 CPM Shares in issue as at the Latest Practicable Date; and
- (g) a discount of approximately 86.56% to the Adjusted NAV (as defined below) of approximately HK\$0.418 per CPM Share as at 31 December 2025, calculated based on the information as set out in the 2025 Annual Report and adjusted for the Revaluation Surplus (as defined below), divided by 1,000,000,000 CPM Shares in issue as at the Latest Practicable Date.

5.4 *Property valuation*

The valuation of the CPM Group's property interests (collectively, the "**Properties**") as at 31 March 2026 have been conducted by BMI Appraisals Limited (the "**Valuer**"). The full text of the valuation report (including the certificates of the Properties) are set out in Appendix III to the Composite Document (the "**Valuation Report**"). According to the Valuation Report, the market value of the interest in the Properties attributable to owners of the parent was approximately HK\$452.7 million (comprising the market value of the interest in properties in Hong Kong and the PRC of zero value and approximately RMB399.7 million, respectively) as at 31 March 2026 (the "**Valuation**").

We have reviewed the Valuation Report and discussed with the Valuer the methodology, bases and assumptions adopted in the Valuation and the adjustments made to arrive at the Valuation. We noted that the Valuer has valued those Properties by using investment approach for properties which are held for investment and comparison approach for properties held for owner-occupation. As disclosed in the Valuation Report, such approaches were based on that the assumptions that the real properties are sold in the market in their existing states without the benefit of deferred terms contract, leaseback, joint venture, management agreement or any other similar arrangement which might serve to affect the values of the real properties. In addition, no account has been taken of any option or right of pre-emption concerning or effecting sale of the real properties and no forced sale situation in any manner is assumed in the valuations.

LETTER FROM THE INDEPENDENT CPM FINANCIAL ADVISER

For our due diligence on the Valuation, we have discussed with the Valuer the basis of the Valuation and raised questions on areas where we require further explanation. After our discussion with the Valuer and our review of the Valuation Report, we understand that the valuations under the investment approach were based on current passing rents of these properties being held under existing tenancies and the reversionary potential of the tenancies if they have been or would be let to tenants or the reversionary values of such properties, and for those valuations under comparison approach, references were made to comparable sale information as available in the relevant market and appropriate adjustments were made to account for the differences between the real properties and the comparables in terms of time, location, age, size and other relevant factors.

We understand that the above valuation methodologies are commonly adopted approaches in establishing the respective market values of the Properties. Further to the above, we have assessed the qualifications and experience of the responsible person of the Valuer for its engagement as the Valuer for the Valuation. We noted that Dr. Tony C.H. Cheng and Ms. Joannau W.F. Chan, the responsible persons in charge of the Valuation, are members of the Hong Kong Institute of Surveyors (General Practice), with over 33 and 27 years of experience in the valuations of properties in Hong Kong and the PRC, respectively. In addition, we have also reviewed the Valuer's terms of engagement and noted that the scope of work is appropriate for arriving at the opinion in the Valuation. Nothing has come to our attention that CPM has made any formal or informal representation to the Valuer that contravenes our understanding of the Valuation. The Valuer has also confirmed that the Valuation has been prepared in accordance with The HKIS Valuation Standards (2024 Edition) published by The Hong Kong Institute of Surveyors, The RICS Valuation – Global Standards published by The Royal Institution of Chartered Surveyors and the International Valuation Standards (IVS) published by The International Valuation Standards Council; and are in compliance with Rule 11 of the Takeovers Code.

Based on our review of the work done by the Valuer, we are of the view that the basis and assumptions in arriving at the Valuation are fair and reasonable.

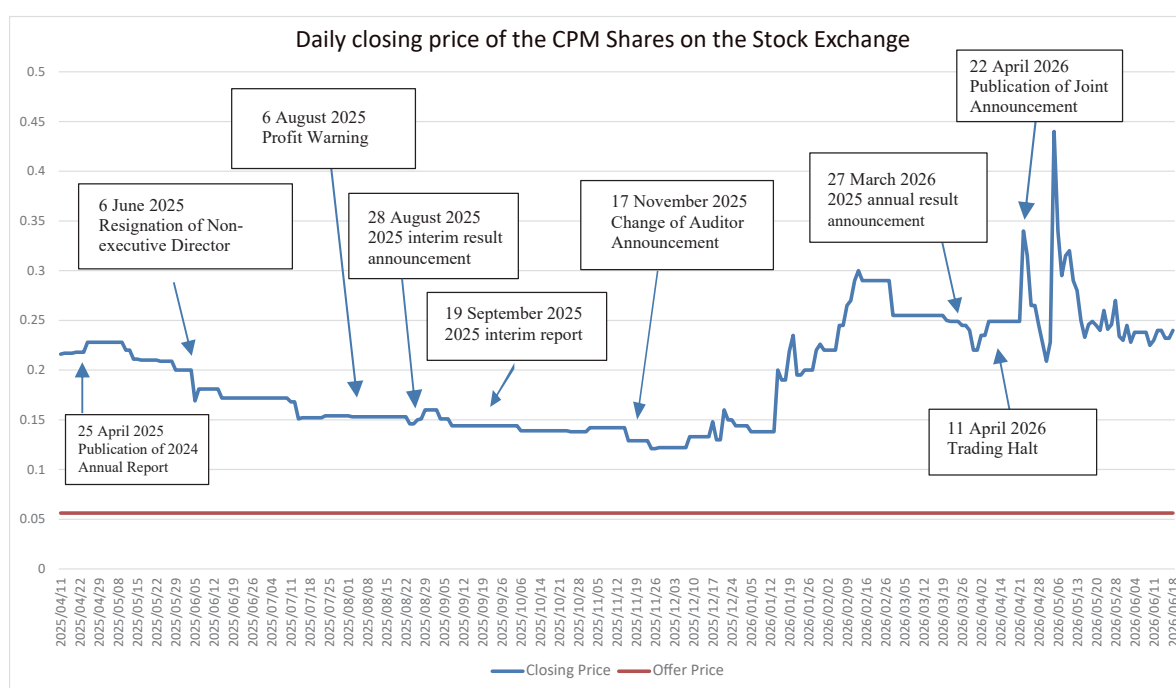
In evaluating the CPM Offer, we have taken into account the adjusted unaudited consolidated net asset attributable to the CPM Shareholders (the “**Adjusted NAV**”) provided by the CPM Management, which is calculated based on the audited consolidated NAV attributable to the CPM Shareholders as at 31 December 2025 and adjusted with reference to the Valuation as at 31 March 2026. The Adjusted NAV per CPM Share would have been approximately HK\$0.418, calculated based on (i) the CPM Group's audited consolidated net assets attributable to owners of CPM of approximately HK\$353.1 million as at 31 December 2025, as disclosed in the 2025 Annual Report; (ii) the difference between the Valuation of approximately HK\$452.7 million as at 31 March 2026 and the corresponding book value of approximately HK\$388.1 million as at 31 December 2025 (the “**Revaluation Surplus**”), and (iii) 1,000,000,000 CPM Shares in issue as at the Latest Practicable Date. Accordingly, the CPM Offer Price of HK\$0.0562 represents a discount of approximately 86.56% to the Adjusted NAV per CPM Share.

LETTER FROM THE INDEPENDENT CPM FINANCIAL ADVISER

5.5 Our Analysis on Historical Share Price Performance

In order to assess the fairness and reasonableness of the CPM Share Offer Price, we have reviewed the movements in the closing price per CPM Share during the period from 11 April 2025, being 12 months immediately preceding the Last Trading Day, to the Latest Practicable Date (the “**Review Period**”), which is commonly adopted for share price analysis. Set out below is the chart showing the daily closing price of the CPM Shares as quoted on the Stock Exchange during the Review Period, where the trading of the CPM Shares has been suspended from 13 to 21 April 2026 pending the release of the Joint Announcement.

Historical daily closing price of the CPM Shares during the Review Period



Source: the website of the Stock Exchange (www.hkex.com)

We noted from the above chart that, during the Review Period, the CPM Shares closed on the Stock Exchange within the range of the lowest of HK\$0.121 per CPM Share on 25 and 26 November 2025 to the highest of HK\$0.44 per CPM Share on 5 May 2026. The CPM Share Offer Price of HK\$0.0562 is lower than the average closing price of approximately HK\$0.193 per CPM Share during the Review Period, which represents a discount of approximately 70.9% over the average closing price per CPM Share during the Review Period.

Since the commencement of the Review Period (i.e. 11 April 2025) and up to the trading day immediately before the date of the publication of the Joint Announcement (i.e. 12 April 2026), the closing price per CPM Share was in a general stable decreasing trend, and then exhibited an increasing trend from January to February 2026, and then slightly decreased to HK\$0.249 per CPM Share on Last Trading Day.

LETTER FROM THE INDEPENDENT CPM FINANCIAL ADVISER

Following the resumption of trading of the CPM Shares after the publication of the Joint Announcement, the closing price per CPM Share rose to HK\$0.34 per CPM Share on 22 April 2026. The temporary price increase is likely to be driven by market reaction to the Joint Announcement. After reaching the peak, then experienced a sudden correction and subsequently decreased to HK\$0.209 on 30 April 2026. The closing price of the CPM Shares has remained fluctuated at a level above the CPM Share Offer Price since the publication of the Joint Announcement and up to the Latest Practicable Date.

We have made enquiry with the CPM Management and were advised that save for the publication of the annual results announcement of CPM as described above, the Directors were not aware of any specific reasons which may have an impact of the fluctuations of Share prices during the Review Period.

During the period from 22 April 2026 (from the resumption of trading after the release of the Joint Announcement) up to and including the Latest Practicable Date (the “**Post Announcement Period**”), the CPM Share Offer Price of HK\$0.0562 per CPM Share represents (i) a discount of approximately 73.11% over the lowest closing price of HK\$0.209 per CPM Share; and (ii) a discount of approximately 87.23% to the highest closing price of HK\$0.44 per CPM Share during the Post-Announcement Period.

The CPM Share Offer Price itself represents a discount of approximately 70.9% of the average closing price of approximately HK\$0.193 per CPM Share during the Review Period, having considered that the CPM Share Offer Price is below the closing prices per CPM Share during the entire Review Period, we consider that the CPM Share Offer Price is unattractive from the perspective of the historical performance of the CPM Shares.

The increase in the trading price of the CPM Shares during the Post Announcement Period is likely due to the market reaction to the Joint Announcement. There remains uncertainty as to whether such trading price can be sustained at a level higher than the CPM Share Offer Price during and after the CPM Offer Period.

LETTER FROM THE INDEPENDENT CPM FINANCIAL ADVISER

(i) *Analysis on the historical trading liquidity of the CPM Shares*

The table below sets out the average daily trading volume of the CPM Shares for each month/period during the Review Period.

Month/Period	Number of trading days	Average daily trading volume of the CPM Shares during the month/period	Average daily trading volume as a percentage of the CPM Shares during the month/period to the total number of issued Shares ⁽¹⁾	Average daily trading volume as a percentage of the CPM Shares during the month/period to the public float ⁽²⁾
2025				
April	12	333	0.0000%	0.0001%
May	20	30,800	0.0031%	0.0123%
June	21	2,286	0.0002%	0.0009%
July	22	21,455	0.0021%	0.0086%
August	21	190	0.0000%	0.0001%
September	22	8,727	0.0009%	0.0035%
October	20	800	0.0001%	0.0003%
November	20	3,600	0.0004%	0.0014%
December	21	16,565	0.0017%	0.0066%
2026				
January	21	34,667	0.0035%	0.0139%
February	17	29,412	0.0029%	0.0118%
March	22	7,455	0.0007%	0.0030%
April	12	3,654,365	0.3654%	1.4617%
May	19	1,137,438	0.1137%	0.4550%
June (up to and including the Latest Practicable Date)	14	145,414	0.0145%	0.0582%

Source: the website of the Stock Exchange (www.hkex.com)

LETTER FROM THE INDEPENDENT CPM FINANCIAL ADVISER

Notes:

- (1) Calculated based on average daily trading volume over the month/period divided by the total number of CPM Shares in issue at each month/period end according to the monthly returns filed by CPM.
- (2) The calculation is based on the average daily trading volume of the CPM Shares divided by the total number of CPM Shares in issue held by public Shareholders at the Latest Practicable Date.
- (3) Trading of the CPM Shares on the Stock Exchange has been suspended from 13 to 21 April 2026 pending the release of the Joint Announcement.

As set out in the table above, during the Review Period, the percentage of average daily trading volume of the CPM Shares for the respective month/period were in the range from the lowest of approximately 0.0000% to the highest of approximately 0.3654% with an average of approximately 0.0340% as to the total number of issued CPM Shares at the end of the respective month/period.

During the Review Period and up to and including the Latest Practicable Date, we noted that the average daily trading volume of the CPM Shares as a percentage to the public float in April 2026, and May 2026 were relatively high as compared to that of the rest of the other months. Following the resumption of trading of the CPM Shares after the publication of the Joint Announcement, the average daily trading volume of the CPM Shares as a percentage to the public float was approximately 2.50% in April 2026 (excluding the date of suspension of CPM Shares), such high trading volume is likely be driven by market reaction to the Joint Announcement.

Taking into account the fact that the average daily trading volume of the CPM Shares during the Review Period was approximately 0.0340% of the total number of issued CPM Shares and approximately 0.1358% of the public float of CPM, we are of the view that the trading volume of CPM Shares can be considered as low, and in normal circumstances, if the Independent CPM Shareholders are to dispose of a large number of CPM Shares in the market, it may exert downward pressure on the market price of CPM Shares.

Given the overall thin historical daily trading volume of the CPM Shares during the Review Period, the Independent CPM Shareholders (especially those with relatively sizeable shareholdings) may find it difficult to dispose of a large volume of Shares in the open market at a fixed cash price within a short period of time without exerting downward pressure on the CPM Shares price. The CPM Share Offer, therefore, represents an opportunity for the Independent CPM Shareholders, particularly for those who hold a large volume of CPM Shares, to dispose of at least part of their shareholdings at the CPM Share Offer Price if they so wish.

LETTER FROM THE INDEPENDENT CPM FINANCIAL ADVISER

(ii) *Comparison with other comparable companies*

To further assess the fairness and reasonableness of the CPM Share Offer Price, we have analysed commonly used trading multiples, including the price-to-book ratio (the “**P/B Ratio**”), price-to-earnings ratio (the “**P/E Ratio**”), and price-to-sales ratio (the “**P/S Ratio**”). Since the CPM Group recorded loss for the year ended 31 December 2025, the P/E Ratio analysis was not applicable. In addition, any fluctuation in revenue for CPM and/or any of the comparable companies would distort the results of analysis on P/S Ratio and P/S Ratio does not reflect the cost structure differences between different companies. Given the aforesaid limitations, P/S Ratio analysis is not included in our analysis below. Accordingly, we consider the P/B Ratio to be an appropriate indicator of the fair values of the comparable companies.

Based on the CPM Share Offer Price of HK\$0.0562 per Offer Share and the total number of issued Shares of 1,000,000,000 as at the Last Trading Day, CPM is valued at approximately HK\$56.2 million. The P/B Ratio of CPM implied by the CPM Share Offer Price is approximately 0.13 times (the “**Implied P/B Ratio**”) based on the Adjusted NAV of approximately HK\$417.6 million (being the audited consolidated NAV attributable to the CPM Shareholders as at 31 December 2025 and adjusted with reference to the Valuation as at 31 March 2026).

In assessing the fairness and reasonableness of the CPM Share Offer Price, we consider that it is relevant to assess the CPM Share Offer Price by making reference to market valuation for companies listed in Hong Kong which are principally engaged in business similar to those of the CPM Group. With reference to the 2025 Annual Report, approximately 92.5% of the revenue of the CPM Group was generated from the manufacture and sale of paint products for FY2025, with more than 80% of the total revenue during FY2025 generated in the PRC. For the purpose of comparison, we have conducted a search of comparable companies which meet the criteria of (i) having listed on the Stock Exchange on or before the Latest Practicable Date; (ii) being principally engaged in the manufacture and sale of paint products; and (iii) majority (more than 50%) of the revenue generated in the PRC. However, according to our search result based on such criteria, we noted that none of the companies listed on the Stock Exchange was principally engaged in the exact same business and in the same geographical location as that of the CPM Group. As such, we have broadened the aforesaid criteria to being principally engaged in the surface coating industry in the PRC, with majority (more than 50%) of the total revenue attributable to such businesses (the “**Comparable Companies**”).

Based on the abovementioned criteria, we have identified four Comparable Companies by searching through published information on the Stock Exchange’s website. Based on our search conducted according to the abovementioned criteria, the list of Comparable Companies is an exhaustive list of companies meeting the abovementioned criteria, save for the exclusions of CNT and CPM.

LETTER FROM THE INDEPENDENT CPM FINANCIAL ADVISER

Although the number of the Comparable Companies were limited, we are of the view that the valuation of the Comparable Companies is comparable to that of CPM because the Comparable Companies also engage in the surface coating industry in the PRC, and we consider that the Comparable Companies represent the companies operating in the same business segment and in the same geographical market to that of CPM. Based on the above, having considered the exhaustive list of Comparable Companies having met the selection criteria, we are of the view that the Comparable Companies are representative samples and it is fair and reasonable for the Comparable Companies to represent companies similar to that of CPM for the Independent CPM Shareholders to take reference of.

The details of the Comparable Companies are set out below:

Company name (Stock code)	Principal activities	Market capitalisation as at the Latest Practicable Date	Net asset value (Note 1)	P/B ratio
Yip's Chemical Holdings Ltd (408)	Principally engaged in (i) manufacture of and trading in solvents, coatings, inks and lubricants; (ii) manufacture and sales of chemical vapour recovery and treatment systems; (iii) property investment; and (iv) other businesses, mostly in the PRC	HK\$1,189.5 million	HK\$4,020.8 million	0.30 times
Precious Dragon Technology Holdings (1861)	Manufacturing of aerosol products used in the automotive beauty and maintenance products for auto cleaning, maintenance, paint and coating, mainly in the PRC	HK\$666.7 million	HK\$377.8 million	1.76 times
Tiande Chemical Holdings Ltd (609)	Research and development, manufacture and sale of fine chemical products widely used in decoration works and fittings for coating purposes, mainly in the PRC	HK\$1,045.3 million	RMB2,437.4 million	0.38 times
China Longevity Group Co Ltd (1863)	Design, development, manufacture and sale of (i) polymer processed high strength polyester fabric composite materials and other reinforced composite and conventional materials and (ii) PVC and Non-PVC composite materials of floorings and wall panels used as protective coating for industrial and construction settings, mainly in the PRC	N/A (Note 3)	RMB797.3 million	N/A (Note 3)
		Maximum		1.76 times
		Average		0.81 times
		Median		0.38 times
		Minimum		0.30 times
CPM (1932) (The CPM Offer)	Manufacture and sales of paint products	HK\$56.2 million (Note 2)	HK\$417.6 million	0.13 times

Source: website of the Stock Exchange and the financial reports of the respective Comparable Companies

LETTER FROM THE INDEPENDENT CPM FINANCIAL ADVISER

Notes:

1. The P/B Ratio of the Comparable Companies are calculated based on the market capitalisation of the respective Comparable Companies as at the Last Trading Day divided by the net assets value of the respective Comparable Companies as extracted from their respective latest published interim or annual results as at the Last Trading Day.
2. The Implied P/B Ratio is calculated based on the theoretical market capitalisation of CPM with reference to the CPM Share Offer Price and the Adjusted NAV.
3. The Adjusted NAV, being the audited consolidated NAV attributable to the CPM Shareholders as at 31 December 2025 and adjusted with reference to the Valuation as at 31 March 2026, has been adopted as net asset value of CPM.
4. The trading of the shares of China Longevity Group Co Ltd (1863) has been suspended since 14 February 2013.

As illustrated in the table above, the P/B Ratios of the Comparable Companies ranged from approximately 0.30 times to 1.76 times. The Implied P/B Ratio is approximately 0.13 times, which is lower than all Comparables Companies. This indicates the implied valuation of CPM based on the CPM Share Offer Price is lower than the valuations of the Comparable Companies based on their respective closing share prices from the perspective of P/B Ratio. Accordingly, we are of the view that the CPM Share Offer Price is set at a lower price as compared with the Comparable Companies and is unattractive from the perspective of market comparable analysis using P/B Ratio and the CPM Share Offer is not fair and reasonable so far as the CPM Shareholders are concerned.

5.6 Our Analysis on the CPM Option Offer

With reference to the letter from the CPM Board to the Composite Document, as at the Latest Practicable Date, there are a total of 60,000,000 outstanding CPM Share Options, carrying rights to subscribe for 60,000,000 new CPM Shares with an exercise price of HK\$0.335 per CPM Share Option, out of which 10,000,000 CPM Share Options are held by Mr. Tsui.

If any CPM Share Option is exercised by the Independent CPM Optionholders in accordance with the terms of the relevant CPM Share Option Scheme prior to the close of the CPM Share Offer, any CPM Shares issued as a result of such exercise will be subject to the CPM Share Offer.

Pursuant to the terms of the CPM Share Option Scheme, in the event that a general offer is made to all CPM Shareholders (or all such CPM Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror (as defined in the Takeovers Codes)) and such offer becomes or is declared unconditional during the option period of the relevant CPM Share Option, the grantee shall be entitled to exercise the CPM Share Option in full (to the extent not already exercised) at any time up to the close of the offer or the record date for entitlements under the scheme of arrangement, as the case may be.

The CPM Offers are extended to all CPM Shareholders and CPM Optionholders other than the Offerors, CNT and parties acting in concert with any of them in accordance with the Takeovers Code. As of the Latest Practicable Date, CPM has 1,000,000,000 CPM Shares in issue. Save for the 1,000,000,000 CPM Shares and 60,000,000 outstanding CPM Share Options in issue, there are no outstanding CPM Shares, options, warrants, derivatives or securities convertible or exchangeable into Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code).

LETTER FROM THE INDEPENDENT CPM FINANCIAL ADVISER

Given that the exercise price of the outstanding CPM Share Options (being HK\$0.335 per CPM Share Option) is above the CPM Share Offer Price, the outstanding CPM Share Options are out of the money and the offer price for cancellation of each CPM Share Option is set at a nominal value of HK\$0.0001, in cash. As the CPM Share Offer Price under the CPM Option Offer Price are based on the CPM Share Offer Price of HK\$0.0562, which is offered to all CPM Shareholders, our view on the CPM Option Offer Price is same as that on the CPM Share Offer Price. Given that we consider the CPM Share Offer Price is not fair and reasonable, the price offered for the CPM Share Options, are also considered by us to be not fair and reasonable.

In view of the fact that the recent CPM Share market price had been fluctuating near the exercise prices of the CPM Share Options, if the market price of the CPM Shares is above the relevant exercise prices of the CPM Share Options, the Independent CPM Optionholders may, to the extent their respective circumstances permit, exercise their rights under the CPM Share Options and dispose of their CPM Shares on the market if there is sufficient trading liquidity in the market and the market price is above the exercise price (to the extent such excess in market price would be adequate to cover additional charges such as brokerage, transaction levies etc., which would not be applicable if the CPM Offer Shares are tendered in acceptance of the CPM Share Offer) during the CPM Offer Period. However, if the market price of the CPM Shares becomes below the exercise price of the CPM Share Options, the CPM Optionholders may consider accepting the CPM Option Offer instead. The CPM Optionholders are also reminded that in accordance with the Share Option Scheme, the unexercised CPM Share Options will lapse automatically after the Closing Date as detailed in the paragraph headed “1. PROCEDURES FOR ACCEPTANCE” set out in the Appendix I to the Composite Document.

RECOMMENDATION

Based on our analyses above, having considered the following:

- (i) the Offerors intended to continue with the CPM Group’s existing principal business and the Offerors have no intention to (i) introduce any major changes to the existing business and operation of the CPM Group; (ii) discontinue the employment of any employees of the CPM Group in their ordinary courses; or (iii) re-deploy the fixed assets of CPM other than those in its ordinary and usual course of business. We do not expect that there would be substantial change in the principal business activities of the CPM Group as a direct result of the CPM Offers and shortly after the CPM Offers;
- (ii) Mr. Tsui, being the sole shareholder and sole director of Prime Surplus, the executive director, the chairman and managing director of CPM, the CPM Offers are not expected to result in any direct or material change to, or enhancement of, the expertise of the CPM Board;

LETTER FROM THE INDEPENDENT CPM FINANCIAL ADVISER

- (iii) the paint and coating market is currently facing substantial challenges due to the decline in the domestic real estate sector within the PRC. Despite the CPM Group's loss FY2025 diminished by 4.0%, amounting to HK\$46.05 million, as compared to HK\$47.98 million FY2024, CPM Group has been in loss-making position in recent years, we consider that CPM's outlook remains challenging, notwithstanding that the CPM Board has shown itself committed to enhance the CPM Group's value and improve its financial position, such that the loss position has exhibited a downward trend since FY2022, showing signs of improvement;
- (iv) the CPM Share Offer Price is unattractive considered that discount of approximately 70.9% of the average closing price of approximately HK\$0.193 per CPM Share during the Review Period, having considered that the CPM Share Offer Price is below the closing prices per CPM Share during the entire Review Period;
- (v) the CPM Share Offer Price represents a discount of approximately 86.56% to the Adjusted NAV of approximately HK\$0.418 per CPM Share as at 31 December 2025;
- (vi) the increase in the trading price of the Shares during the Post Announcement Period is likely due to the market reaction to the Joint Announcement. There remains uncertainty as to whether such trading price can be sustained at a level higher than the CPM Share Offer Price during and after the CPM Offer Period;
- (vii) the overall thin historical daily trading volume of the CPM Shares during the Review Period, the Independent CPM Shareholders (especially those with relatively sizeable shareholdings) may find it difficult to dispose of a large volume of Shares in the open market at a fixed cash price within a short period of time without exerting downward pressure on the CPM Shares price. The CPM Share Offer, therefore, represents an opportunity for the CPM Shareholders, particularly for those who hold a large volume of CPM Shares, to dispose of at least part of their shareholdings at the CPM Share Offer Price if they so wish;
- (viii) the Implied P/B Ratio of the CPM Share Offer are the lowest as compared with the Comparable Companies, implying that the CPM Offer Price is set at a lower price overall as compared with the Comparable Companies and is unattractive from the perspective of market comparable analysis using P/B Ratio;
- (ix) the recent CPM Share market price had been fluctuating near the exercise prices of the CPM Share Options (being HK\$0.335 per CPM Share Option); and
- (x) the unexercised CPM Share Options will lapse automatically after the Closing Date.

On balance, we consider that the CPM Offers (including the Share Offer Price and Option Offer Price) are not fair and reasonable so far as the CPM Shareholders and the CPM Optionholders are concerned. Accordingly, we recommend the Independent CPM Board Committee to advise the CPM Shareholders not to accept the CPM Share Offer. Given that in accordance with the Share Option Scheme, the unexercised CPM Share Options will lapse automatically after the Closing Date, we recommend the Independent CPM Board Committee to advise the CPM Optionholders to accept the CPM Option Offer if the CPM Optionholders chose not to exercise their CPM Share Options.

LETTER FROM THE INDEPENDENT CPM FINANCIAL ADVISER

For those CPM Shareholders who wish to realise their investments in CPM, we recommend that they consider disposing of their CPM Shares in the open market, rather than accepting the CPM Share Offer, if the net proceeds from the sale of such CPM Shares in the open market would exceed the net proceeds receivable under the CPM Offers. Nevertheless, the CPM Shareholders should also note that they may not be able to realise their investments in the CPM Shares at a price higher than the CPM Share Offer Price when they are going to dispose of their partial or entire holdings. In such circumstances, the CPM Share Offer might provide an exit alternative for the CPM Shareholders who would like to realise their investments in the CPM Shares at the CPM Share Offer Price of HK\$0.0562.

In addition, we would like to remind the CPM Shareholders and the CPM Optionholders (for the CPM Optionholders, if they opt to exercise their rights under the CPM Share Options to subscribe for the new CPM Shares) that if they consider retaining their CPM Shares or tendering less than all their CPM Shares under the CPM Share Offer should carefully consider the potential difficulties they may encounter in disposing their investments in the CPM Shares after the close of the CPM Offers in view of the historical low liquidity of the CPM Shares and there is no guarantee that the prevailing level of the CPM Share price will sustain during and after the CPM Offer Period. The CPM Optionholders are also reminded that in accordance with the Share Option Scheme, the unexercised CPM Share Options will lapse automatically upon the close of the CPM Offers as detailed in the paragraph headed “1. PROCEDURES FOR ACCEPTANCE” set out in the Appendix I to the Composite Document.

As each individual CPM Shareholder and the CPM Optionholder would have different investment objectives and/or circumstances, we recommend any CPM Shareholders and the CPM Optionholders who may require advice in relation to any aspect of the CPM Offers and/or the Composite Document, or as to the action to be taken, to consult a licensed securities dealer, bank manager, solicitor, professional accountant, tax adviser or other professional adviser. Furthermore, they should carefully read the procedures for accepting the CPM Offers as set out in the Composite Document, its appendices and the accompanying Forms of Acceptance.

Yours faithfully,
for and on behalf of
Ample Capital Limited
H. W. Tang **Jenny Law**
President *Vice President*

Mr. H.W. Tang is a licensed person registered with the SFC and a responsible officer of Ample Capital Limited, which is licensed under the SFO to carry out Type 6 (advising on corporate finance) regulated activity. Mr. Tang has over 20 years' experience in the corporate finance industry.

Ms. Jenny Law is a licensed person registered with the SFC and a responsible officer of Ample Capital Limited, which is licensed under the SFO to carry out Type 6 (advising on corporate finance) regulated activity. Ms. Law has over 15 years' experience in the corporate finance industry.

1. PROCEDURES FOR ACCEPTANCE**The CPM Share Offer**

- (a) If you accept the CPM Share Offer, you should complete and sign the Form of CPM Share Offer Acceptance in accordance with the instructions printed thereon, which form part of the terms and conditions of the CPM Share Offer.
- (b) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your CPM Offer Shares is/are in your name, and you wish to accept the CPM Share Offer in respect of your CPM Offer Shares, the duly completed and signed Form of CPM Share Offer Acceptance should be sent, together with the relevant share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof), to the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, marked “CPM Share Offer” on the envelope, in any event by no later than 4:00 p.m., on the Closing Date or such later time and/or date as the Offerors may determine and announce with the consent of the Executive and in accordance with the Takeovers Code.
- (c) If the share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your CPM Offer Shares is/are in the name of a nominee company or a name other than your own, and you wish to accept the CPM Share Offer in respect of your CPM Offer Shares in full or in part, you must either:
 - (i) lodge your share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) with the nominee company, or other nominee, with instructions authorising it to accept the CPM Share Offer on your behalf and requesting it to deliver the duly completed and signed Form of CPM Share Offer Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) for the number of CPM Offer Shares in respect of which you intend to accept the CPM Share Offer to the Registrar;
 - (ii) arrange for the CPM Offer Shares to be registered in your name by CPM through the Registrar, and deliver the duly completed and signed Form of CPM Share Offer Acceptance together with the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnities required in respect thereof), to the Registrar;

- (iii) if your CPM Offer Shares have been lodged with your licensed securities dealer/registered institution in securities/custodian bank through CCASS, instruct your licensed securities dealer/registered institution in securities/custodian bank to authorise HKSCC to accept the CPM Share Offer on your behalf on or before the deadline set out by HKSCC. In order to meet the deadline set by HKSCC, you should check with your licensed securities dealer/registered institution in securities/custodian bank for the timing on the processing of your instruction, and submit your instruction to your licensed securities dealer/registered institution in securities/custodian bank as required by them; or
- (iv) if your CPM Offer Shares have been lodged with your investor participant stock account with CCASS, authorise your instruction via the CCASS phone system or CCASS internet system on or before the deadline set by HKSCC (which is normally one (1) Business Day before the latest date on which acceptances of the CPM Share Offer must be received by the Registrar).
- (d) If you have lodged transfer(s) of any of your CPM Offer Shares for registration in your name and have not yet received your share certificate(s), and you wish to accept the CPM Share Offer in respect of your CPM Offer Shares, you should nevertheless complete and sign the Form of CPM Share Offer Acceptance and deliver it to the Registrar together with the transfer receipt(s) duly signed by yourself. Such action will constitute an authority to the Offerors and/or Yu Ming or their respective agent(s) to collect from CPM or the Registrar on your behalf the relevant share certificate(s) when issued and to deliver such share certificate(s) to the Registrar as if it was/they were delivered to the Registrar with the Form of CPM Share Offer Acceptance.
- (e) If the share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your CPM Offer Shares is/are not readily available or is/are lost, as the case may be, and you wish to accept the CPM Share Offer in respect of your CPM Offer Shares, you should nevertheless complete and sign the Form of CPM Share Offer Acceptance and deliver it to the Registrar together with a letter stating that you have lost one or more of your share certificate(s) and/or transfer receipt(s) and/or other document(s) of title in respect of your CPM Offer Shares or that it/they is/are not readily available. If you find such document(s) or if it/they become(s) available, the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title should be forwarded to the Registrar as soon as possible thereafter. If you have lost your share certificate(s) and/or transfer receipt(s) and/or other document(s) of title, you should also write to the Registrar requesting a letter of indemnity which, when completed in accordance with the instructions given, should be returned to the Registrar.

- (f) Acceptance of the CPM Share Offer will be treated as valid only if the duly completed and signed Form of CPM Share Offer Acceptance is received by the Registrar by no later than 4:00 p.m. on the Closing Date (or such later time and/or date as the Offerors may determine and announce with the consent of the Executive and in accordance with the Takeovers Code), and the Registrar has recorded that the Form of CPM Share Offer Acceptance and any relevant documents as required under this paragraph have been so received and is:
- (i) accompanied by the relevant share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) and, if the share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) is/are not in your name, such other documents (e.g. a duly stamped transfer of the relevant CPM Offer Share(s) in blank or in favour of the acceptor executed by the registered holder) in order to establish your right to become the registered holder of the relevant CPM Offer Shares;
 - (ii) from a registered CPM Shareholder or his/her/its personal representative (but only up to the amount of the registered holding and only to the extent that the acceptance relates to the CPM Offer Shares which are not taken into account under another sub-paragraph of this paragraph (f)); or
 - (iii) certified by the Registrar or the Stock Exchange.
- (g) If the Form of CPM Share Offer Acceptance is executed by a person other than the registered Independent CPM Shareholder, appropriate documentary evidence of authority to the satisfaction of the Registrar must be produced.
- (h) In Hong Kong, seller's ad valorem stamp duty arising in connection with acceptances of the CPM Share Offer will be payable by relevant Independent CPM Shareholders at a rate of 0.1% of the market value of the CPM Offer Shares or consideration payable by the Offerors in respect of the relevant acceptances of the CPM Share Offer, whichever is higher, will be deducted from the cash amount payable by the Offerors to the relevant Independent CPM Shareholder accepting the CPM Share Offer (where the amount of stamp duty is a fraction of a dollar, the stamp duty will be rounded up to the nearest dollar). The Offerors will arrange for payment of the seller's ad valorem stamp duty on behalf of relevant Independent CPM Shareholders accepting the CPM Share Offer and will pay the buyer's ad valorem stamp duty in connection with the acceptance of the CPM Share Offer and the transfer of the CPM Offer Shares.
- (i) No acknowledgement of receipt of any Form of CPM Share Offer Acceptance, share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) will be given.

The CPM Option Offer

- (a) To accept the CPM Option Offer, you should complete and sign the Form of CPM Option Offer Acceptance in accordance with the instructions printed thereon, which form part of the terms of the CPM Option Offer.
- (b) If you are an Independent CPM Optionholder and you wish to accept the CPM Option Offer in respect of your CPM Share Options (whether in full or in part), you must send duly completed and signed Form of CPM Option Offer Acceptance, together with the relevant certificate(s) of the CPM Share Options (if applicable) and/or other document(s) of title or entitlement (and/or satisfactory indemnity or indemnities required in respect thereof) for the aggregate principal amount of CPM Share Options which you hold that you wish to tender in relation to the CPM Option Offer, by post or by hand, to the company secretary of CPM, at 31st Floor, CNT Tower, 338 Hennessy Road, Wanchai, Hong Kong as soon as possible and in any event no later than 4:00 p.m. on the Closing Date or such later time(s) and/or date(s) as the Offerors may determine and the Offerors and CPM may jointly announce with the consent of the Executive in accordance with the Takeovers Code.
- (c) If the certificate(s) in respect of your CPM Share Options (if applicable) is/are not readily available and/or is/are lost, as the case may be, and you wish to accept the CPM Option Offer, the Form of CPM Option Offer Acceptance should nevertheless be completed, signed and delivered to CPM together with a letter stating that you have lost one or more of your CPM Share Option certificate(s) (if applicable) or that it/they is/are not readily available. If you find such document(s) or if it/they become(s) available, it/they should be forwarded to CPM as soon as possible thereafter. If you have lost your CPM Share Option certificate(s) (if applicable), you should also write to CPM requesting a letter of indemnity which, when completed in accordance with the instructions given, should be returned to CPM.
- (d) Unexercised CPM Share Options will lapse automatically after the Closing Date and you will not receive the CPM Option Offer Price.
- (e) No stamp duty is payable in connection with the acceptances of the CPM Option Offer.
- (f) No acknowledgement of receipt of any Form of CPM Option Offer Acceptance, certificate(s) of the CPM Share Options (if applicable) and/or any other documents of title (and/or any satisfactory indemnity/indemnities required in respect thereof) will be given.

2. ACCEPTANCE PERIOD AND REVISION

- (a) Unless the CPM Offers have previously been revised or extended with the consent of the Executive and in accordance with the Takeovers Code, to be valid, the Forms of Acceptance must be received by the Registrar (in respect of the CPM Share Offer) or the company secretary of CPM (in respect of the CPM Option Offer) by 4:00 p.m. on the Closing Date in accordance with the instructions printed on the relevant Forms of Acceptance and the CPM Offers will close on the Closing Date. The CPM Offers are unconditional.
- (b) The Offerors and CPM will jointly issue an announcement through the website of the Stock Exchange no later than 7:00 p.m. on the Closing Date stating the results of the CPM Offers and whether the CPM Offers have been extended, revised or have closed for acceptance.
- (c) If the CPM Offers are extended, the announcement of such extension will state the next Closing Date or a statement that the CPM Offers will remain open until further notice. In the latter case, at least fourteen (14) days' notice in writing must be given to the Independent CPM Shareholders or Independent CPM Optionholders before the CPM Offers are closed to those Independent CPM Shareholders or Independent CPM Optionholders who have not accepted the CPM Offers.
- (d) If, in the course of the CPM Offers, the Offerors revise the terms of the CPM Offers, all Independent CPM Shareholders and Independent CPM Optionholders, whether or not they have already accepted the CPM Offers, will be entitled to accept the revised CPM Offers under the revised terms. The revised CPM Offers must be kept open for at least fourteen (14) days following the date on which the revised offer document(s) are posted.
- (e) If the Closing Date is extended, any references in this Composite Document and the Forms of Acceptance to the Closing Date shall, except where the context otherwise requires, be deemed to refer to the subsequent closing date.

3. ANNOUNCEMENT

- (a) By 6:00 p.m. on a Closing Date (or such later time and/or date as the Executive may in exceptional circumstances permit), the Offerors must inform the Executive and the Stock Exchange of their decision in relation to the revision, extension or closing of the CPM Offers. The Offerors must publish an announcement on the Stock Exchange's website by 7:00 p.m. on the Closing Date stating, amongst other information required under Rule 19.1 of the Takeovers Code, whether the CPM Offers have been revised or extended or have closed for acceptance.

Such announcement must state the following:

- (i) the total number of CPM Shares and rights over CPM Offer Shares for which acceptances of the CPM Share Offer have been received;

- (ii) the total number of CPM Shares Options for which acceptances of the CPM Option Offer have been received;
- (iii) the total number of CPM Shares and rights over CPM Shares held, controlled or directed by the Offerors or parties acting in concert with any of them before the commencement date of the CPM Offer Period;
- (iv) the total number of CPM Shares and rights over CPM Shares acquired or agreed to be acquired by the Offerors or parties acting in concert with any of them during the CPM Offer Period;
- (v) details of any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in CPM which the Offerors or parties acting in concert with any of them has borrowed or lent, save for any borrowed shares which have been either on-lent or sold; and
- (vi) the percentages of the relevant classes of share capital of CPM and the percentages of voting rights of CPM represented by these numbers of CPM Shares.

4. RIGHT OF WITHDRAWAL

- (a) Acceptance of the CPM Offers tendered by the Independent CPM Shareholders and Independent CPM Optionholders shall be irrevocable and cannot be withdrawn, except in the circumstances set out in sub-paragraph (b) below.
- (b) If the Offerors are unable to comply with the requirements set out in the paragraph headed “3. Announcement” above, the Executive may require, pursuant to Rule 19.2 of the Takeovers Code, that the Independent CPM Shareholders and Independent CPM Optionholders who have tendered acceptances to the CPM Offers be granted a right of withdrawal on terms that are acceptable to the Executive until the requirements set out in that paragraph are met.

In such case, when the Independent CPM Shareholders or Independent CPM Optionholders withdraw their acceptance(s), the Offerors shall, as soon as possible but in any event within ten (10) days thereof, return by ordinary post the CPM Share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the CPM Offer Shares and/or CPM Share Options (as the case may be) lodged with the Form(s) of Acceptance to the relevant Independent CPM Shareholders and/or the Independent CPM Optionholders (as the case may be) at their own risk.

5. SETTLEMENT**The CPM Share Offer**

Provided that a valid Form of CPM Share Offer Acceptance and the relevant share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the relevant CPM Shares as required by Note 1 to Rule 30.2 of the Takeovers Code are complete and in good order in all respects and have been received by the Registrar by 4:00 p.m. on the Closing Date, a cheque for the amount due to each of the Independent CPM Shareholders who accepts the CPM Share Offer less seller's stamp duty in respect of the CPM Offer Shares tendered by him/her/it under the CPM Share Offer will be despatched to such Independent CPM Shareholder by ordinary post at his/her/its own risk as soon as possible but in any event no later than seven (7) Business Days after the date on which the duly completed and signed Form of CPM Share Offer Acceptance and the relevant documents of title in respect of such acceptances are received by the Registrar to render each such acceptance complete and valid.

The CPM Option Offer

Provided that a valid Form of CPM Option Offer Acceptance and the relevant certificate(s) of CPM Share Options or other documents (if any) evidencing the grant of the CPM Share Options and any documents of title or entitlement (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of the relevant CPM Share Options are complete and in good order in all respects and have been received by the company secretary of CPM by 4:00 p.m. on the Closing Date, a cheque or a banker's cashier order for the amount due to each of the Independent CPM Optionholders who accept the CPM Option Offer in respect of the CPM Share Options tendered by him/her under the CPM Option Offer will be despatched to such Independent CPM Optionholder by ordinary post at his/her/its own risk as soon as possible but in any event no later than seven (7) Business Days following the date on which the duly completed Form of CPM Option Offer Acceptance and the relevant documents of title in respect of such acceptances are received by the company secretary of CPM of to render each such acceptance complete and valid.

Settlement of the consideration to which any Independent CPM Shareholder or Independent CPM Optionholder is entitled under the CPM Share Offer or the CPM Option Offer, as the case may be, will implemented in full in accordance with its terms (save in respect of the payment of the seller's stamp duty in respect of the CPM Share Offer) without regard to any lien, right of set-off, counterclaim or other analogous right to which the Offerors may otherwise be, or claim to be, entitled against such Independent CPM Shareholder or Independent CPM Optionholder.

No fraction of a cent will be payable and the amount of cash consideration payable to an Independent CPM Shareholder or Independent CPM Optionholder who accepts the CPM Share Offer or the CPM Option Offer, as the case may be, will be rounded up to the nearest cent.

Overseas CPM Shareholders and Overseas CPM Optionholders

The CPM Offers are made to all Independent CPM Shareholders and Independent CPM Optionholders, including Overseas CPM Shareholders and Overseas CPM Optionholders and a copy of this Composite Document will be sent to all Independent CPM Shareholders and Independent CPM Optionholders with registered addresses in Hong Kong as well as jurisdictions outside Hong Kong. However, the CPM Offers are in respect of securities of an exempted company incorporated in the Cayman Islands and is subject to the procedural and disclosure requirements of Hong Kong which may be different from other jurisdictions. Overseas CPM Shareholders and Overseas CPM Optionholders who wish to participate in the CPM Offers but with a registered address outside Hong Kong are subject to, and may be limited by, the laws and regulations of their respective jurisdictions in connection with their participation in the CPM Offers. Overseas CPM Shareholders and Overseas CPM Optionholders who are citizens, residents or nationals of a jurisdiction outside Hong Kong should observe relevant applicable legal or regulatory requirements and, where necessary, seek legal advice. It is the responsibility of the Overseas CPM Shareholders and Overseas CPM Optionholders who wish to accept the CPM Offers to satisfy themselves as to the full observance of the laws and regulations of the relevant jurisdictions in connection with the acceptance of the CPM Offers (including the obtaining of any governmental or other consent which may be required or the compliance with other necessary formalities and the payment of any transfers or other taxes due by such accepting Overseas CPM Shareholders and Overseas CPM Optionholders in respect of such jurisdictions).

Any acceptance by any Independent CPM Shareholders and Independent CPM Optionholders and beneficial owners of the CPM Offer Shares and CPM Share Options will be deemed to constitute a representation and warranty from such Independent CPM Shareholders and Independent CPM Optionholders to the Offerors that the local laws and requirements have been complied with. The Overseas CPM Shareholders and Overseas CPM Optionholders should consult their professional advisers if in doubt.

6. TAX IMPLICATIONS

None of the Offerors, Yu Ming, the Independent CPM Financial Adviser, the Registrar, CPM and their respective ultimate beneficial owners, directors, officers, agents or associates or any other person involved in the CPM Offers is in a position to advise the Independent CPM Shareholders and Independent CPM Optionholders on their individual tax implications. Independent CPM Shareholders and Independent CPM Optionholders are recommended to consult their own professional advisers if they are in any doubt as to the taxation implications of accepting or rejecting the CPM Offers. It is emphasised that none of the Offerors, Yu Ming, the Independent CPM Financial Adviser, the Registrar, CPM and their respective ultimate beneficial owners, directors, officers, agents or associates or any other person involved in the CPM Offers accepts responsibility for any taxation effects on, or liabilities of, any persons as a result of their acceptance or rejection of the CPM Offers.

7. GENERAL

- (a) All communications, notices, the Forms of Acceptance, share certificates, transfer receipts, other documents of title (and/or any satisfactory indemnity or indemnities required in respect thereof) and remittances to be delivered by or sent to or from the Independent CPM Shareholders and/or Independent CPM Optionholders will be delivered by or sent to or from them, or their designated agents, by ordinary post at their own risk. Such communications, notices, documents and remittances will be sent to Independent CPM Shareholders and/or Independent CPM Optionholders at their addresses, in the case of Independent CPM Shareholders and/or Independent CPM Optionholders, specified on the relevant Forms of Acceptance. None of the Offerors, the Offerors' ultimate beneficial owners, CPM and parties acting in concert with any of them, Yu Ming, the Independent CPM Financial Adviser, the Registrar, CPM or any of their respective directors, officers or associates, or any other person involved in the CPM Offers, accepts any liability for any loss in postage or delay in transmission or such other liabilities whatsoever which may arise as a result.
- (b) Acceptance of the CPM Offers by any person or persons will be deemed to constitute a warranty by such person or persons to the Offerors, Yu Ming and CPM that the CPM Offer Shares and CPM Share Options acquired under the CPM Offers are sold by such person or persons free from all liens, charges, Encumbrances, rights of pre-emption and any other third party rights of any nature and together with all rights attaching to including, the right to receive in full all dividends and other distributions, if any, declared, paid or made on or after the date on which the CPM Offers are made, being the date of despatch of this Composite Document.
- (c) Acceptance of the CPM Share Offer by any nominee will be deemed to constitute a warranty by such nominee to the Offerors that the number of CPM Offer Shares it has indicated in the Form(s) of CPM Share Offer Acceptance is the aggregate number of CPM Offer Shares for which such nominee has received authorisations from the beneficial owners to accept the CPM Share Offer on their behalf.
- (d) Acceptance of the CPM Option Offer by any nominee will be deemed to constitute a warranty by such nominee to the Offerors that the number of CPM Share Options in respect of which it has indicated in the Form(s) of CPM Option Offer Acceptance is the aggregate number of CPM Share Options held by such nominee for such beneficial owners who accept the CPM Option Offer.
- (e) The provisions set out in the Forms of Acceptance form part of the terms of the CPM Offers.
- (f) The accidental omission to despatch this Composite Document and/or Forms of Acceptance or any of them to any person to whom the CPM Offers are made will not invalidate the CPM Offers in any way.

- (g) The CPM Offers are, and all acceptances will be, governed by and construed in accordance with the laws of Hong Kong. Execution of Forms of Acceptance by or on behalf of an Independent CPM Shareholder or Independent CPM Optionholder will constitute such Independent CPM Shareholder's or Independent CPM Optionholder's agreement that the courts of Hong Kong shall have exclusive jurisdiction to settle any dispute which may arise in connection with the CPM Offers.
- (h) Due execution of the Forms of Acceptance will constitute an irrevocable authority to the Offerors and/or the Yu Ming (or such person or persons as the Offerors and/or the Yu Ming may direct) to complete and execute any document on behalf of the person accepting the CPM Offers and to do any other act that may be necessary or expedient for the purposes of vesting in the Offerors (or such person or persons as it may direct) the CPM Offer Shares or CPM Share Options in respect of which such person has accepted the CPM Offers.
- (i) The CPM Offers are made in accordance with the Takeovers Code.
- (j) References to the CPM Offers in this Composite Document and in the Forms of Acceptance shall include any extension and/or revision thereof.
- (k) In making their decision, Independent CPM Shareholders and Independent CPM Optionholders must rely on their own examination of the CPM Group and the terms of the CPM Offers, respectively, including the merits and risks involved. The contents of this Composite Document, including any general advice or recommendation contained herein together with the Forms of Acceptance, shall not be construed as any legal or business advice on the part of any of the Offerors, Yu Ming, or their respective professional advisers. Independent CPM Shareholders and Independent CPM Optionholders should consult their own professional advisers for professional advice.
- (l) The English text of this Composite Document and of the accompanying Forms of Acceptance shall prevail over the Chinese text for the purpose of interpretation.

1. SUMMARY OF FINANCIAL INFORMATION OF THE CPM GROUP

Set forth below is a summary of the financial information of the CPM Group for the years ended 31 December 2023, 2024 and 2025 as extracted from the published annual reports of CPM.

	Year ended 31 December		
	2025	2024	2023
	HK\$'000	HK\$'000	HK\$'000
	(audited)	(audited)	(audited)
Revenue	241,091	321,352	469,091
Gross profit	100,578	129,318	157,543
Loss before tax	(46,626)	(49,585)	(69,459)
Income tax credit	579	1,601	2,482
Loss for the year	(46,047)	(47,984)	(66,977)
Loss attributable to:			
Shareholders of CPM	(45,982)	(47,915)	(67,115)
Non-controlling interests	(65)	(69)	138
Loss per share (<i>HK cents</i>)			
Basic and diluted	(4.60)	(4.79)	(6.71)

Save for disclosed above, there were no other items of income or expense which are material in respect of the audited consolidated financial statements of the CPM Group for each of the three years ended 31 December 2025.

Ernst & Young, the auditor of CPM during the two years ended 31 December 2024, did not issue any qualified or modified opinion, nor any emphasis of matter or material uncertainty related to going concern in respect of the audited consolidated financial statements of the CPM Group for the two years ended 31 December 2024. ZHONGHUI ANDA CPA Limited, the auditor of CPM during the year ended 31 December 2025, did not issue any qualified or modified opinion, nor any emphasis of matter or material uncertainty related to going concern in respect of the audited consolidated financial statements of the CPM Group for the year ended 31 December 2025.

No dividend was declared, distributed or paid by CPM during the three years ended 31 December 2025.

There was no change in the CPM Group's accounting policy during the three years ended 31 December 2025 which would result in the figures in its consolidated financial statements being not comparable to a material extent.

2. CONSOLIDATED FINANCIAL STATEMENTS OF CPM GROUP

CPM is required to set forth or refer to in this Composite Document the consolidated statement of financial position, consolidated statement of cash flows and any other primary statement as shown in the last published audited accounts, together with the notes to the relevant published financial statements which are of major relevance to the appreciation of the above financial information.

The audited consolidated financial statements of the CPM Group for the year ended 31 December 2025 are set forth on pages 94 to 173 of the annual report of CPM for the year ended 31 December 2025, which is posted on the websites of the Stock Exchange and the Company. Please also see below a direct link:

“<https://www1.hkexnews.hk/listedco/listconews/sehk/2026/0424/2026042400866.pdf>”

The audited consolidated financial statements of the CPM Group for the year ended 31 December 2024 are set forth on pages 95 to 173 of the annual report of CPM for the year ended 31 December 2024, which is posted on the websites of the Stock Exchange and the Company. Please also see below a direct link:

“<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0425/2025042500917.pdf>”

The audited consolidated financial statements of the CPM Group for the year ended 31 December 2023 are set forth on pages 92 to 169 of the annual report of CPM for the year ended 31 December 2023, which is posted on the websites of the Stock Exchange and the Company. Please also see below a direct link:

“<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0426/2024042601216.pdf>”

3. STATEMENT OF INDEBTEDNESS

As of the close of business on 31 March 2026, being the latest practicable date for the purpose of preparation of this indebtedness statement prior to the printing of this Composite Document, the CPM Directors confirming that the CPM Group had the following indebtedness:

As of 31 March 2026, the CPM Group had current and non-current liabilities which include, but without limitation to bank loans and other borrowings, finance lease payables and bill payables amounted to HK\$213.5 million.

The CPM Directors confirm that there had been no material change in indebtedness or contingent liabilities of the CPM Group since 31 March 2026 and up to and including the Latest Practicable Date.

4. MATERIAL CHANGE

As of the Latest Practicable Date, the CPM Directors confirm that, save for the revaluation surplus of approximately HK\$64.6 million, being the difference of the market value of the interest in the properties of approximately HK\$452.7 million as at 31 March 2026 (as derived from the property valuation report as set out in Appendix III to this Composite Document) and the corresponding book value of approximately HK\$388.1 million as at 31 December 2025, while fair value losses of the investment properties of approximately HK\$17.1 million was recorded for the year ended 31 December 2025, there had been no material change in the financial or trading position or outlook of the CPM Group since 31 December 2025, being the date to which the latest published audited consolidated financial statements of the CPM Group were made up, and up to and including the Latest Practicable Date.

5. ADJUSTED UNAUDITED NET ASSET VALUE

By taking into account the effect of revaluation surplus arising from the valuation of the market value of the property interests attributable to the CPM Shareholders as set out in Appendix III to this Composite Document, set out below is the calculation of the adjusted unaudited consolidated net asset value attributable to the CPM Shareholders:

	<i>HK\$'000</i>
Audited consolidated net asset value attributable to the CPM Shareholders as at 31 December 2025	353,056
Adjusted for:	
Revaluation surplus arising from the valuation of the property interests of the Group as at 31 March 2026 based on the property valuation reports set out in Appendix III to this Composite Document (<i>note 1</i>)	64,550
Adjusted unaudited consolidated net asset value attributable to the CPM Shareholders	417,606
Adjusted unaudited consolidated net asset value attributable to CPM Shareholders per CPM Share (<i>note 2</i>)	HK\$0.418

Notes:

1. The revaluation surplus, being the difference between the market value of the property interests attributable to the CPM Shareholders of approximately HK\$452.7 million as of 31 March 2026 as compared to their corresponding net book value of approximately HK\$388.1 million as of 31 December 2025.
2. The adjusted unaudited consolidated net asset value attributable to CPM Shareholders per CPM Share is calculated based on 1,000,000,000 CPM Shares in issue as at the Latest Practicable Date.

The following is the text of a letter, summary of values and valuation reports, prepared for the purpose of incorporation in this Composite Document received from BMI Appraisals Limited, an independent valuer, in connection with its valuations as at 31 March 2026 of the real properties located in the People's Republic of China and Hong Kong held or leased by CPM Group.

BMI APPRAISALS

BMI Appraisals Limited 中和邦盟評估有限公司

Suite 01-08, 27th Floor, Shui On Centre, 6-8 Harbour Road, Wanchai, Hong Kong
香港灣仔港灣道6-8號瑞安中心27樓2701-2708室
Tel 電話 : (852) 2593 9678 Fax 傳真 : (852) 2802 0863
Email 電郵 : enquiry@bmintelligence.com Website 網址 : www.bmi-appraisals.com

29 May 2026

CPM Group Limited

31st Floor, CNT Tower
No. 338 Hennessy Road
Wanchai
Hong Kong

Dear Sirs,

INSTRUCTIONS

We refer to your instructions for us to value the real properties located in the People's Republic of China (the "PRC") and Hong Kong of which CPM Group Limited (the "Company") and/or its subsidiaries (hereinafter referred to as the "CPM Group") have interests. We confirm that we have conducted inspections, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market values of the real properties as at 31 March 2026 (the "valuation date").

BASIS OF VALUE

Our valuations of the real properties have been based on the market value ("Market Value"), which is defined by The Hong Kong Institute of Surveyors as "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion". The Market Value is also understood as the value of an asset or liability estimated without regard to costs of sale or purchase (or transaction) and without offset for any associated taxes or potential taxes.

REAL PROPERTY CATEGORIZATION

In the course of our valuations, the real properties are categorized into the following groups:

Group I – Real properties held by CPM Group for investment in the PRC

Group II – Real properties held by CPM Group for owner-occupation in the PRC

Group III – Real properties leased by CPM Group in the PRC

Group IV – Real properties leased by CPM Group in Hong Kong

VALUATION METHODOLOGY

In valuing the real properties in Group I which are held for investment by CPM Group, we have adopted the Investment Approach by taking into account the current passing rents of these real properties being held under existing tenancies and the reversionary potential of the tenancies if they have been or would be let to tenants or the reversionary values of such real properties.

In valuing real properties in Group II, we have valued them on market basis by the Comparison Approach assuming sale in their existing states with the benefit of vacant possession and by making reference to comparable sale information as available in the relevant market. Appropriate adjustments have then been made to account for the differences between the real properties and the comparables in terms of time, location, age, size and other relevant factors.

We have attributed no commercial value to the real properties in Group III and Group IV, as the real properties are leased by CPM Group and CPM Group only holds rights of use and occupation, without legal title or ownership interests.

TITLE INVESTIGATION

For the real properties located in the PRC, we have been provided with copies/extracts of title/legal documents as well as tenancy agreements/schedules and have been advised by the Company that no further relevant documents have been produced. However, we have not examined the original documents to verify ownership or to ascertain the existence of any amendment documents, which may not appear on the copies/extracts handed to us. Therefore, in the course of our valuations, we have relied on the advice and information given by CPM Group's PRC legal advisor – Jingtian & Gongcheng (北京市競天公誠律師事務所) ("PRC legal advisor") regarding the title of the real properties in the PRC. All documents have been used for reference only.

For the real properties located in Hong Kong, we have caused land searches to be made at the Land Registry and have been provided with copies of tenancy agreements/schedules. We have been advised by the Company that no further relevant documents have been produced. However, we have neither examined the original documents to verify ownership nor to ascertain the existence of any amendments, which do not appear on the copies handed to us. All documents have been used for reference only.

VALUATION ASSUMPTIONS

Our valuations have been made on the assumption that the real properties are sold in the market in their existing states without the benefit of deferred terms contract, leaseback, joint venture, management agreement or any other similar arrangement which might serve to affect the values of the real properties. In addition, no account has been taken of any option or right of pre-emption concerning or effecting sale of the real properties and no forced sale situation in any manner is assumed in our valuations.

In valuing the real properties, we have relied on the advice given by the Company and the legal opinion given by the PRC legal advisor on the real properties in Groups I, II and III that CPM Group has valid and enforceable titles to the real properties which are freely transferable, and have free and uninterrupted rights to use the same, for the whole of the unexpired term granted subject to the payment of annual government rent/land use fees and all requisite land premium/purchase consideration payable have been fully settled.

VALUATION CONSIDERATIONS

Inspections of the real properties have been conducted from April to May 2026 by Ms. Krain Li (MSc in Construction and Real Estate and Mr. George Lee (BSc in Surveying) under the supervision of Dr. Tony Cheng and Ms. Joannau Chan. We have inspected the real properties externally and where possible, the interior of the real properties. In the course of our inspections, we did not note any serious defects. However, no structural surveys have been made. We are, therefore, unable to report whether the real properties are free from rot, infestation or any other structural defects. No tests were carried out on any of the services.

In the course of our valuations, we have relied to a considerable extent on the information given by the Company and have accepted advice given to us on such matters as planning approvals or statutory notices, easements, tenures, particulars of occupancy, site/floor areas, identification of the real properties and any other relevant information.

We have not carried out detailed on-site measurements to verify the correctness of the site/floor areas in respect of the real properties but have assumed that the site/floor areas shown on the documents handed to us are correct. Dimensions, measurements and areas included in the valuation reports are based on information contained in the documents provided to us by the Company and are therefore only approximations.

We have no reason to doubt the truth and accuracy of the information provided to us by the Company and we have relied on your confirmation that no material facts have been omitted from the information provided. We consider that we have been provided with sufficient information for us to reach an informed view.

No allowances have been made in our valuations for any charges, mortgages or amounts owing on the real properties or for any expenses or taxation, which may be incurred in effecting a sale.

Unless otherwise stated, it is assumed that the real properties are free from encumbrances, restrictions and outgoing of an onerous nature, which could affect their values.

POTENTIAL TAX LIABILITIES

For the purpose of compliance with Rule 11.3 of The Code on Takeovers and Mergers and as advised by the Company, the potential tax liabilities which may arise from the sale of the real properties include:

Real properties in the PRC

- Enterprise income tax at 25% on gain
- Land appreciation tax at progressive rates from 30% to 60% on the appreciated amount (being the proceeds of sales of the property less deductible expenditure including land costs, development costs and construction costs)
- Stamp duty at 0.05% on the transaction amount
- Value-added tax at 9% on the transaction amount
- Other surcharge at approximately 12% of value-added tax

Real properties in Hong Kong

- Profits tax at 8.25% on assessable profits up to HK\$2,000,000; and 16.5% on any part of assessable profits over HK\$2,000,000
- Stamp duty at a minimum of HK\$100, progressive rates from 1.5% to 4.25% on the transaction amount for the real properties in Hong Kong

As advised by the Company, the real properties are being held for investment or owner-occupation and the likelihood of any potential tax liability for the real properties being crystallized is remote as CPM Group has no intention to sell these real properties.

VALUATION STANDARDS

Our valuations have been prepared in accordance with The HKIS Valuation Standards (2024 Edition) published by The Hong Kong Institute of Surveyors, The RICS Valuation – Global Standards published by The Royal Institution of Chartered Surveyors (“RICS”) and the International Valuation Standards (IVS) published by The International Valuation Standards Council.

This valuation assignment has been prepared by the Property Valuation Team which is supervised by Dr. Tony C.H. Cheng and Ms. Joannau W.F. Chan (the “Valuers”) for and on behalf of BMI Appraisals Limited. We are not aware of any instances which would give rise to potential conflicts of interest from BMI Appraisals Limited or the Valuers who handled this valuation exercise. We confirm that BMI Appraisals Limited and the Valuers are in the position to provide objective and independent/unbiased valuations for the real properties.

Our valuations have also been prepared under the generally accepted valuation procedures and are in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Rule 11 of The Code on Takeovers and Mergers issued by The Securities and Futures Commission.

REMARKS

Unless otherwise stated, all money amounts stated herein are in Hong Kong Dollars (“HK\$”) and Renminbi (RMB). No allowances have been made for any exchange transfers.

Our Summary of Values and Valuation Reports are attached herewith.

Yours faithfully,
For and on behalf of
BMI APPRAISALS LIMITED

Dr. Tony C.H. Cheng

*BSc, MUD, MBA (Finance), MSc (Eng),
PhD (Econ), FCPA, FAIA, FIPA, SIFM, FCIM, MASCE,
MHKIE, MHKIS, MIET, MIEEE, MASME, MISE
Managing Director*

Joannau W.F. Chan

*BSc., MSc., MRICS, MHKIS, R.P.S (GP)
Senior Director*

Notes:

Dr. Tony C.H. Cheng is a member of the Hong Kong Institute of Surveyors (General Practice) who has over 33 years’ experience in valuations of real properties in Hong Kong and the People’s Republic of China.

Ms. Joannau W.F. Chan is a member of the Hong Kong Institute of Surveyors (General Practice) who has over 33 years’ experience in valuations of real properties in Hong Kong and over 27 years’ experience in valuations of real properties in the People’s Republic of China.

SUMMARY OF VALUES

Group I – Real properties held by CPM Group for investment in the PRC

No.	Real Property	Market Value in existing state as at 31 March 2026 RMB
1.	An industrial complex located at the northern side of Shahuan Road North, Shajing Town, Bao'an District, Shenzhen City, Guangdong Province, the PRC 中國廣東省深圳市寶安區沙井鎮 沙環北路北側 之一個工業廠房	132,100,000
2.	An industrial complex located at The Intersection of Road No. 4 and Road No. 3 in the South of Gedian Development Zone, Ezhou City, Hubei Province, the PRC 中國湖北省鄂州市 葛店開發區南 四號路與三號路交匯處 之一個工業廠房	3,000,000

No.	Real Property	Market Value in existing state as at 31 March 2026 RMB
3.	An industrial complex located at Road No. 4, Industrial Park No. 2, Gedian Development Zone, Ezhou City, Hubei Province, the PRC 中國湖北省鄂州市 葛店開發區 二號工業區四號路 之一個工業廠房	16,100,000
4.	Unit 703 on 7th Floor, Building 13 of Keenstar, Bao'an District, Shenzhen City, the PRC 中國廣東省深圳市 寶安區 勤誠達樂園13號樓703	4,100,000
5.	An industrial complex located at No. 22 Jinshui Road, Xuzhou Economic Development Zone, Xuzhou City, Jiangsu Province, the PRC 中國江蘇省徐州市 徐州經濟開發區 金水路22號之一個工業廠房	11,400,000

No.	Real Property	Market Value in existing state as at 31 March 2026 <i>RMB</i>
6.	<p>An industrial complex located at Nos. 3889, 3899 Waiqingsong Highway, Qingpu District, Shanghai, the PRC</p> <p>中國上海市青浦區 外青松公路3889號、3899號 之一個工業廠房</p>	51,200,000
7.	<p>An industrial complex located at Jiemin Village, Sanjiao Town, Zhongshan City, Guangdong Province, the PRC</p> <p>中國廣東省中山市 三角鎮結民村 之一個工業廠房</p>	64,800,000
8.	<p>Units 1701 to 1706 on 17th Floor and Units 1801 to 1806 on 18th Floor of Block 5, Hao'er Xuefu Garden, Intersection of Haoxiang Road and Shasan Road Shajing Subdistrict, Bao'an District, Shenzhen City, Guangdong Province, the PRC</p> <p>中國廣東省深圳市 寶安區沙井街道蠓鄉路與沙三路交匯處 蠓二學府花園5座17樓1701至1706室及 18樓1801-1806室</p>	No Commercial Value

No.	Real Property	Market Value in existing state as at 31 March 2026 RMB
9.	Units 901, 902 and 1001 of Block A, 901, 902 and 1001 of Block B, 801 and 802 of Block C, 803 and 903 of Block D, Tower 1, Xingguang Huating, Weiqian Xiaoqu, Yabian Community, Shajing Subdistrict, Bao'an District, Shenzhen City, Guangdong Province, the PRC 中國廣東省深圳市 寶安區沙井街道衙邊社區 圍淺小區星光華庭1棟A座901, 902, 1001室 B座901, 902, 1001室, C座801,802室及 D座803, 903室	No Commercial Value
10.	Unit 403 of Tower 20, Hongya Garden, North Side of Baomin Road, Xin'an Subdistrict, Bao'an District Shenzhen City, Guangdong Province, the PRC 中國廣東省深圳市 寶安區新安街道寶民路北側 弘雅花園20棟403室	3,600,000
Sub-Total:		286,300,000

Group II - Real properties held by CPM Group for owner-occupation in the PRC

No.	Real Property	Market Value in existing state as at 31 March 2026 RMB
11.	Unit 702 on 7th Floor, Building 13 of Keenstar, Bao'an District, Shenzhen City, the PRC 中國廣東省深圳市 寶安區 勤誠達樂園13號樓702	4,000,000
12.	An industrial complex located at No. 18 of Sanwei 9 Zu, Hengjiang Village, Fengcheng Subdistrict, Xinfeng County, Shaoguan City, Guangdong Province, the PRC 中國廣東省韶關市新豐縣 豐城街道橫江村三圍九組18號	109,400,000
Sub-Total:		113,400,000

Group III – Real properties leased by CPM Group in the PRC

No.	Real Property	Market Value in existing state as at 31 March 2026 RMB
13.	Units 201, 202, 203, 204, 301 & 302, Block A1, Quan Zhi Zhi Hui Garden, No. 5 Li Gang South Road, Shajing Subdistrict, Bao'an District, Shenzhen City, Guangdong Province, the PRC 中國廣東省深圳市 寶安區沙井街道 立崗南路5號全至智薈公園A1棟 201, 202, 203, 204, 301及302室	No Commercial Value
14.	Unit 907, Second of No. 100 Huangpu Road West, Tian He District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市天河區 黃埔大道西100號之二907房	No Commercial Value
Sub-Total:		Nil

Group IV – Real properties leased by CPM Group in Hong Kong

No.	Real Property	Market Value in existing state as at 31 March 2026 HK\$
15.	Unit A on 21st Floor, Tagus Residences, No. 8 Ventris Road, Happy Valley, Hong Kong	No Commercial Value
16.	Car Parking Space No. 8 on 5th Floor, Morrison Plaza, No. 9 Morrison Hill Road, Wanchai, Hong Kong	No Commercial Value
17.	Factory Unit D on 10th Floor, Lung Shing Factory Building, Nos. 142-148 Texaco Road, Tsuen Wan, New Territories, Hong Kong	No Commercial Value
Sub-Total:		Nil

VALUATION REPORT

Group I – Real properties held by CPM Group for investment in the PRC

No.	Real Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 March 2026 RMB
1.	An industrial complex located at the northern side of Shahuan Road North, Shajing Town, Bao'an District, Shenzhen City, Guangdong Province, the PRC 中國廣東省深圳市寶安區沙井鎮沙環北路北側之一個工業廠房	The real property comprises an industrial complex having a parcel of land with a site area of approximately 58,786.00 sq.m. (or about 632,772.5 sq.ft.) upon which various buildings and structures, mainly completed in about 1993, were erected. The total gross floor area ("GFA") of the buildings of the real property with title certificates is approximately 36,276.1 sq.m. (or about 390,475.94 sq.ft.). The land use rights of the real property have been granted for a term expiring on 1 June 2041 for industrial use.	As at the valuation date, the real property was subject to two tenancies at a total monthly rent of RMB1,362,487.04 for industrial use. <i>(Please refer to Notes 4&5 for details.)</i>	132,100,000 (One Hundred Thirty Two Million and One Hundred Thousand Only)

Notes: –

1. The real property is located in Bao'an District of Shenzhen City, which is about 25 minutes' driving distance to Shenzhen Bao'an International Airport. The immediate locality is an industrial area.
2. Pursuant to a State-owned Land Use Rights Certificate, Shen Bao Fu Guo Yong (1993) Di No. Te 41 (深寶府國用(1993)字第特41號), issued by the People's Government of Guangzhou County (廣東省人民政府) dated 10 August 1993, the land use rights of the real property with a site area of approximately 58,786.00 sq.m. have been granted to 中華製漆(深圳)有限公司 (The China Paint Manufacturing (Shenzhen) Co., Ltd.) ("China Paint (Shenzhen)") for a term expiring on 1 June 2041 for industrial use.
3. Pursuant to 12 Real Estate Title Certificates issued by Shenzhen City People's Government, the building ownership rights of the real property with a total GFA of approximately 36,276.10 sq.m. are held by China Paint (Shenzhen) for a term of 50 years commencing on 1 June 1991 and expiring on 31 May 2041. The details of the title documents are as follows:

APPENDIX III**PROPERTY VALUATION REPORT OF
THE CPM GROUP AND
ITS OTHER ASSOCIATED COMPANIES**

No.	Certificate No.	Name of Building	Usage	GFA (sq.m.)	Date of Registration
1.	Shen Fang Di Zi Di No.7218523 深房地字第7218523號	Dormitory Building Blk 2	Dormitory	1,176.20	28 January 1997
2.	Shen Fang Di Zi Di No.7218524 深房地字第7218524號	Dormitory Building Blk 2	Dormitory	1,176.20	28 January 1997
3.	Shen Fang Di Zi Di No.7218525 深房地字第7218525號	Dormitory Building Blk 2	Dormitory	1,176.20	28 January 1997
4.	Shen Fang Di Zi Di No.7218526 深房地字第7218526號	Dormitory Building Blk 2	Dormitory	1,044.50	28 January 1997
5.	Shen Fang Di Zi Di No.7218527 深房地字第7218527號	Office Building Blk 1	Office	1,588.80	28 January 1997
6.	Shen Fang Di Zi Di No.7218528 深房地字第7218528號	Office Building Blk 1	Office	1,474.20	28 January 1997
7.	Shen Fang Di Zi Di No.7218529 深房地字第7218529號	Industrial Building Blk 7	Factory	8,469.80	28 January 1997
8.	Shen Fang Di Zi Di No.7218530 深房地字第7218530號	Industrial Building Blk 6	Factory	9,923.00	28 January 1997
9.	Shen Fang Di Zi Di No.7218531 深房地字第7218531號	Industrial Building Blk 5	Factory	1,940.50	28 January 1997
10.	Shen Fang Di Zi Di No.7218532 深房地字第7218532號	Industrial Building Blk 4	Factory	2,951.00	28 January 1997
11.	Shen Fang Di Zi Di No.7218533 深房地字第7218533號	Industrial Building Blk 3	Factory	4,414.40	28 January 1997
12.	Shen Fang Di Zi Di No.7218534 深房地字第7218534號	Warehouse Building Blk 8	Warehouse	941.30	28 January 1997
				Total:	36,276.10

4. Pursuant to a Tenancy Agreement dated 21 October 2022 and 4 Supplementary Agreements dated 30 December 2022, 30 May 2023, 11 June 2025 and 22 October 2025 respectively all entered into between China Paint (Shenzhen) and 智薈工業互聯網(深圳)有限合夥企業(有限合夥), the former agreed to lease the real property with a site area of approximately 58,786.00 sq.m. and a total rentable area of approximately 37,272.64 sq.m. to the latter for a term from 1 November 2022 to 5 May 2028 with three rent-free periods from 6 October 2025 to 5 November 2025, from 6 October 2026 to 5 November 2026 and from 6 October 2027 to 5 November 2027 at a monthly rent of RMB1,341,815.04 exclusive of management fee and other relevant outgoings.
5. Pursuant to a Supplementary Agreement dated 22 November 2024 entered into between China Paint (Shenzhen) and 智薈工業互聯網(深圳)有限合夥企業(有限合夥), the former agreed to lease additional buildings of the real property with a total rentable area of approximately 1,590.15 sq.m. to the latter for a term from 1 December 2024 to 5 May 2028 with a rent-free period of 6 months from 1 December 2024 to 31 May 2025 at a monthly rent of RMB20,672 exclusive of management fee and other relevant outgoings.
6. Certain portions of the buildings of the real property in the above tenancy agreements with a total GFA of approximately 2,586.69 sq.m. have not been granted with any title certificates. Therefore, we have attributed no commercial value to such portions in our valuation.
7. The opinion of the PRC legal advisor to CPM Group contains, inter alia, the following:
 - a. The land use rights and building ownership rights of the real property are legally vested in China Paint (Shenzhen).
 - b. Pursuant to a Maximum Amount Mortgage Contract, No. 000602024K0020901B, dated 6 June 2024 and registered on 13 June 2024, the real property is subject to a mortgage in favour of Shenzhen Rural Commercial Bank Limited Shajing Branch (深圳農村商業銀行股份有限公司沙井支行).
 - c. China Paint (Shenzhen) is entitled to dispose of, transfer, lease out or mortgage the real property with the prior consent obtained from the mortgagee in Note 7b.
8. China Paint (Shenzhen) is an indirect wholly-owned subsidiary of the Company.
9. In the course of our valuation, we have made reference to various rental information of similar real properties within the locality which have similar characteristics comparable to the real property. The monthly unit rents of these rental information range from about RMB28 to RMB30 per sq.m.

VALUATION REPORT

No.	Real Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 March 2026 RMB
2.	An industrial complex located at The Intersection of Road No. 4 and Road No. 3 in the South of Gedian Development Zone, Ezhou City, Hubei Province, the PRC 中國 湖北省鄂州市 葛店開發區南 四號路與三號路交匯處之一個工 業廠房	The real property comprises an industrial complex having a parcel of land with a site area of approximately 9,453.3 sq.m. (or about 101,754 sq.ft.) upon which various buildings and structures, estimated to have been completed in the early 1990s, were erected. The total gross floor area (“GFA”) of the real property is approximately 4,483.70 sq.m. (or about 48,262 sq.ft.). The land use rights of the real property have been granted for a term expiring on 7 February 2041 for industrial use.	As at the valuation date, the real property was subject to a tenancy at a monthly rent of RMB24,000 for industrial use. <i>(Please refer to Notes 4 for details.)</i>	3,000,000 (Three Million Only)

Notes: –

- The real property is located in Gedian Development Zone of Ezhou City, which is about 50 minutes’ driving distance to Wuhan Tianhe International Airport. The immediate locality is an industrial area.
- Pursuant to a State-owned Land Use Rights Certificate, Ezhou Guo Yong (2009) Di No. 2-51 (鄂州國用(2009)第2-51號), issued by the People’s Government of Ezhou City (鄂州市人民政府) dated 17 September 2009, the land use rights of the real property with a site area of approximately 9,453.3 sq.m. have been granted to 中華製漆(深圳)有限公司 (The China Paint Manufacturing (Shenzhen) Co., Ltd.) (“China Paint (Shenzhen)”) for a term expiring on 7 February 2041 for industrial use.
- Pursuant to 4 Real Estate Title Certificates issued by the People’s Government of Ezhou City, the building ownership rights of the real property with a total GFA of approximately 4,483.70 sq.m. are held by China Paint (Shenzhen) for a term expiring on 7 February 2041. The details of the title documents are as follows:

No.	Certificate No.	Name of Building	Usage	GFA (sq.m.)	Date of Registration
1.	Ezhou Shi Fang Quan Zheng Ge Dian Kai Zi Di No.090823941 鄂州市房權証葛店開字 第090823941號	Office Building	Office	1,247.01	4 December 2009
2.	Ezhou Shi Fang Quan Zheng Ge Dian Kai Zi Di No. 090823942 鄂州市房權証葛店開字 第090823942號	Industrial Building	Industrial	1,655.81	4 December 2009
3.	Ezhou Shi Fang Quan Zheng Ge Dian Kai Zi Di No. 090823943 鄂州市房權証葛店開字 第090823943號	Generator Room	Industrial	351.06	4 December 2009
4.	Ezhou Shi Fang Quan Zheng Ge Dian Kai Zi Di No. 090823944 鄂州市房權証葛店開字 第090823944號	Warehouse	Industrial	1,229.82	4 December 2009
Total:				4,483.70	
4.	Pursuant to a Tenancy Agreement dated 11 September 2023 entered into between China Paint (Shenzhen) and 李金華, the former agreed to lease the real property with a GFA of approximately 4,483.7 sq.m. to the latter for a term of 10 years from 1 October 2023 to 30 September 2033 with 4 rent-free periods from 1 October 2023 to 31 March 2024, from 1 October 2026 to 31 October 2026, from 1 October 2027 to 31 October 2027 and from 1 October 2028 to 31 October 2028 at a monthly rent of RMB24,000 for the first 4 years, a monthly rent of RMB25,200 for the next 3 years and then a monthly rent of RMB26,460 for the remaining term exclusive of relevant outgoings.				
5.	The opinion of the PRC legal advisor to CPM Group contains, inter alia, the following:				
	a. The land use rights and building ownership rights of the real property are legally vested in China Paint (Shenzhen).				
	b. China Paint (Shenzhen) is entitled to occupy, use, receive income and dispose of the real property freely in the market.				
	c. The real property is not subject to any mortgage.				
6.	China Paint (Shenzhen) is an indirect wholly-owned subsidiary of the Company.				
7.	In the course of our valuation, we have made reference to various rental information of similar real properties within the locality which have similar characteristics comparable to the real property. The monthly unit rents of these rental information range from about RMB6 to RMB10 per sq.m.				

VALUATION REPORT

No.	Real Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 March 2026 RMB
3.	An industrial complex located at Road No. 4, Industrial Park No. 2, Gedian Development Zone, Ezhou City, Hubei Province, the PRC 中國 湖北省鄂州市 葛店開發區 二號工業區四號路 之一個工業廠房	The real property comprises an industrial complex having a parcel of land with a site area of approximately 19,872.28 sq.m. (or about 213,903.2 sq.ft.) upon which various buildings and structures, mainly completed between 1993 and 1996, were erected. The total gross floor area (“GFA”) of the real property is approximately 14,608.65 sq.m. (or about 157,246 sq.ft.). The land use rights of the real property have been granted for a term expiring on 15 March 2045 for industrial use.	As at the valuation date, portions of the real property with a total GFA of approximately 2,050 sq.m. was subject to 2 tenancies at a total monthly rent of RMB17,840 for industrial and warehouse uses, whilst the remaining portion of the real property was vacant and available for lease. <i>(Please refer to Notes 4&5 for details.)</i>	16,100,000 (Sixteen Million and One Hundred Thousand Only)

Notes: –

1. The real property is located in Gedian Development Zone of Ezhou City, which is about 50 minutes’ driving distance to Wuhan Tianhe International Airport. The immediate locality is an industrial area.
2. Pursuant to a State-owned Land Use Rights Certificate, Ezhou Guo Yong (2010) Di No. 2-85 (鄂州國用(2010)第2-85號), issued by the People’s Government of Ezhou City (鄂州市人民政府) dated 7 December 2010, the land use rights of the real property with a site area of approximately 19,872.28 sq.m. have been granted to 湖北長頸鹿製漆有限公司 (Hubei Giraffe Paint Mfg. Co., Ltd.) (“Hubei Giraffe Paint”) for a term expiring on 15 March 2045 for industrial use.
3. Pursuant to 8 Real Estate Title Certificates issued by the Ezhou Real Estate Registration Office, the building ownership rights of the real property with a total GFA of approximately 14,608.65 sq.m. are held by Hubei Giraffe Paint for a term expiring on 15 March 2045. The details of the title documents are as follows:

APPENDIX III**PROPERTY VALUATION REPORT OF
THE CPM GROUP AND
ITS OTHER ASSOCIATED COMPANIES**

No.	Certificate No.	Name of Building	Usage	GFA (sq.m.)	Date of Registration
1.	Ezhou Shi Fang Quan Zheng Ge Dian Kai Zi Di No.110814927 鄂州市房權証葛店開字 第110814927號	Composite Building	Composite	2,248.26	2 June 2011
2.	Ezhou Shi Fang Quan Zheng Ge Dian Kai Zi Di No.110814929 鄂州市房權証葛店開字 第110814929號	Generator Room and Electricity Room	Industrial	243.73	2 June 2011
3.	Ezhou Shi Fang Quan Zheng Ge Dian Kai Zi Di No.110802344 鄂州市房權証葛店開字 第110802344號	Warehouse No. 1	Industrial	720.00	18 January 2011
4.	Ezhou Shi Fang Quan Zheng Ge Dian Kai Zi Di No.110814925 鄂州市房權証葛店開字 第110814925號	Industrial Building	Industrial	5,360.20	2 June 2011
5.	Ezhou Shi Fang Quan Zheng Ge Dian Kai Zi Di No.110811890 鄂州市房權証葛店開字 第110811890號	Dormitory	Residential	898.15	13 May 2011
6.	Ezhou Shi Fang Quan Zheng Ge Dian Kai Zi Di No.110814928 鄂州市房權証葛店開字 第110814928號	Guard Room	Others	108.00	2 June 2011
7.	Ezhou Shi Fang Quan Zheng Ge Dian Kai Zi Di No.110814926 鄂州市房權証葛店開字 第110814926號	Industrial Building	Industrial	4,310.31	2 June 2011
8.	Ezhou Shi Fang Quan Zheng Ge Dian Kai Zi Di No.110802343 鄂州市房權証葛店開字 第110802343號	Warehouse No. 2	Industrial	720.00	18 January 2011
				Total:	14,608.65

4. Pursuant to a Tenancy Agreement dated 29 December 2025 entered into between Hubei Giraffe Paint and 潘利山, the former agreed to lease portion of the real property with a GFA of approximately 1,330 sq.m. to the latter for a term of 5 years from 1 January 2026 to 31 December 2030 with a rent-free period of 3 months from 1 January 2026 to 31 March 2026 at a monthly rent of RMB10,640 exclusive of management fee but exclusive of other relevant outgoings.
5. Pursuant to a Tenancy Agreement dated 13 May 2025 entered into between Hubei Giraffe Paint and 張立文, the former agreed to lease portion of the real property with a GFA of approximately 720 sq.m. to the latter for a term of 3 years from 13 May 2025 to 12 May 2028 at a monthly rent of RMB7,200 exclusive of management fee and other relevant outgoings.
6. The opinion of the PRC legal advisor to CPM Group contains, inter alia, the following:
 - a. The land use rights and building ownership rights of the real property are legally vested in Hubei Giraffe Paint.
 - b. Hubei Giraffe Paint is entitled to occupy, use, receive income and dispose of the real property freely in the market.
 - c. The real property is not subject to any mortgage.
7. Hubei Giraffe Paint is an indirect wholly-owned subsidiary of the Company.
8. In the course of our valuation, we have made reference to various rental information of similar real properties within the locality which have similar characteristics comparable to the real property. The monthly unit rents of these rental information range from about RMB6 to RMB10 per sq.m.

VALUATION REPORT

No.	Real Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 March 2026 RMB
4.	Unit 703 on 7th Floor, Building 13 of Keenstar, Baoan District, Shenzhen City, The PRC 中國 廣東省深圳市 寶安區 勤誠達樂園13號樓703	The real property comprises an office unit within a 31-storey commercial building completed in about 2019. The gross floor area (“GFA”) of the real property is approximately 180.87 sq.m. (or about 1,947 sq.ft.). The land use rights of the real property have been granted for a term expiring on 19 May 2056 for commercial, residential / office uses.	As at the valuation date, the real property was subject to a tenancy at a monthly rent of RMB14,000 for office use. <i>(Please refer to Note 3 for details.)</i>	4,100,000 (Four Million and One Hundred Thousand Only)

Notes: –

1. The real property is located in Bao’an District of Shenzhen City, which is about 25 minutes’ driving distance to Shenzhen Bao’an International Airport. The immediate locality is a residential and commercial area.
2. Pursuant to a Real Estate Title Certificate, Yue (2022) Shen Zhen Shi Bu Dong Chan Quan Di No. 0054234 (粵(2022)深圳市不動產權第0054234號), issued by Shenzhen City Real Estate Registration Centre dated 19 May 2022, the land use rights and the building ownership rights of the real property are legally owned by 中華製漆(深圳)有限公司 (The China Paint Manufacturing (Shenzhen) Co., Ltd.) (“China Paint (Shenzhen)”) for a term expiring on 19 May 2056 for commercial, residential/office uses.
3. Pursuant to a Tenancy Agreement dated 30 September 2024 entered into between China Paint (Shenzhen) and 深圳市文山建築設計諮詢有限公司, the former agreed to lease the real property with a GFA of approximately 180.87 sq.m. to the latter for a term of 2 years from 15 October 2024 to 14 October 2026 with 2 rent-free periods from 15 October 2024 to 14 November 2024 and from 15 October 2025 to 14 November 2025 at a monthly rent of RMB14,000 inclusive of management fee but exclusive of other relevant outgoings.
4. The opinion of the PRC legal advisor to CPM Group contains, inter alia, the following:
 - a. The land use rights and building ownership rights of the real property are legally vested in China Paint (Shenzhen).
 - b. China Paint (Shenzhen) is entitled to occupy, use, receive income and dispose of the real property freely in the market.
 - c. The real property is not subject to any mortgage.
5. China Paint (Shenzhen) is an indirectly wholly-owned subsidiary of the Company.
6. In the course of our valuation, we have made reference to various rental information of similar real properties within the locality which have similar characteristics comparable to the real property. The monthly unit rents of these rental information range from about RMB23,770 to RMB26,936 per sq.m.

VALUATION REPORT

No.	Real Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 March 2026 RMB
5.	An industrial complex located at No. 22 Jinshui Road, Xuzhou Economic Development Zone, Xuzhou City, Jiangsu Province, the PRC 中國 江蘇省徐州市 徐州經濟開發區 金水路22號 之一個工業廠房	The real property comprises an industrial complex having a parcel of land with a site area of approximately 36,729.8 sq.m. (or about 395,355.9 sq.ft.) upon which various buildings and structures, mainly completed between 2005 and 2008, were erected. The total gross floor area (“GFA”) of the real property is approximately 3,661.45 sq.m. (or about 39,412 sq.ft.). The land use rights of the real property have been granted for a term expiring on 9 August 2054 for industrial use.	As at the valuation date, the real property was subject to a tenancy at an annual rent of RMB825,000 for industrial use. (Please refer to Note 4 for details.)	11,400,000 (Eleven Million and Four Hundred Thousand Only)

Notes: –

- The real property is located in Economic Development Zone of Xuzhou City, which is about 45 minutes’ driving distance to Xuzhou Guanyin International Airport. The immediate locality is an industrial area.
- Pursuant to a State-owned Land Use Rights Certificate, Xu Tu Guo Yong (2009) Di No. 08137 (徐土國用(2009)第08137號), issued by the People’s Government of Xuzhou City (徐州市人民政府) dated 7 May 2009, the land use rights of the real property with a site area of approximately 36,729.8 sq.m. have been granted to 長頸鹿製漆(徐州)有限公司 (Giraffe Paint Mfg. Co., (Xuzhou) Ltd.) (“Giraffe Xuzhou”) for a term expiring on 9 August 2054 for industrial use.
- Pursuant to a Real Estate Ownership Certificate, Xu Fang Quan Zheng Jin Shan Qiao Zi Di No. 11611 (徐房權証金山橋字第11611號), issued by Xuzhou City Housing Administration Bureau (徐州市房產管理局) dated 25 November 2008, the ownership rights of 4 buildings with a total GFA of approximately 3,661.45 sq.m. are legally owned by Giraffe Xuzhou.
- Pursuant to a Tenancy Agreement dated 20 November 2023 entered into between Giraffe Xuzhou and 徐州華聯大件運輸有限公司, the former agreed to lease the real property with a site area of approximately 36,729.8 sq.m. and a GFA of approximately 3,661.45 sq.m. to the latter for a term of 5 years from 1 January 2024 to 31 December 2028 at an annual rent of RMB825,000 exclusive of management fee and other relevant outgoings.
- The opinion of the PRC legal advisor to CPM Group contains, inter alia, the following:
 - The land use rights and building ownership rights of the real property are legally vested in Giraffe Xuzhou.
 - Giraffe Xuzhou is entitled to occupy, use, receive income and dispose of the real property freely in the market.
 - The real property is not subject to any mortgage.
- Giraffe Xuzhou is an indirect wholly-owned subsidiary of the Company.
- In the course of our valuation, we have made reference to various rental information of similar real properties within the locality which have similar characteristics comparable to the real property. The monthly unit rents of these rental information range from about RMB16 to RMB24 per sq.m.

VALUATION REPORT

No.	Real Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 March 2026 RMB
6.	An industrial complex located at Nos. 3889, 3899 Waiqingsong Highway, Qingpu District, Shanghai, the PRC 中國 上海市青浦區 外青松公路3889號、3899號 之一個工業廠房	The real property comprises an industrial complex having a parcel of land with a site area of approximately 30,956.9 sq.m. (or about 333,217 sq.ft.) upon which various buildings and structures, mainly completed in about 2014, were erected. The total gross floor area (“GFA”) of the real property is approximately 6,674.91 sq.m. (or about 71,848 sq.ft.). The land use rights of the real property have been granted for a term expiring on 9 April 2057 for industrial use.	As at the valuation date, the real property was subject to a tenancy at an annual rent of RMB2,709,197 for industrial use. <i>(Please refer to Notes 3 to 4 for details.)</i>	51,200,000 (Fifty One Million and Two Hundred Thousand Only)

Notes: –

1. The real property is located in Qingpu District of Shanghai, which is about 40 minutes’ driving distance to Shanghai Hongqiao International Airport. The immediate locality is an industrial area.
2. Pursuant to a Shanghai Certificate of Real Estate Ownership, Hu Fang De Qing Zi (2014) Di No. 006311 (滬房地青字(2014)第006311號), issued by Shanghai Housing Security & Administration Bureau and Shanghai Planning, Land & Resources Administration Bureau (上海市住房保障和房屋管理局及上海市規劃和國土資源管理局) dated 23 May 2014, the land use rights of the real property with a site area of approximately 30,956.9 sq.m. and a total GFA of approximately 6,674.91 sq.m. have been granted to 長頸鹿製漆(上海)有限公司 (Giraffe Paint Mfg. Co., (Shanghai) Ltd.) (“Giraffe Shanghai”) for a term of 50 years commencing on 10 April 2007 and expiring on 9 April 2057 for industrial use.
3. Pursuant to a Tenancy Agreement dated 28 February 2024 entered into between Giraffe Shanghai and 上海安曉液化石油氣有限公司, the former agreed to lease the real property with a GFA of approximately 6,674.91 sq.m. to the latter for a term of 6 years from 1 March 2024 to 28 February 2030 at an annual rent of RMB3,381,039 for the first 3 years, subject to an increment of 3% of the preceding rent for the remaining term exclusive of management fee and other relevant outgoings.
4. Pursuant to a Supplementary Agreement dated 20 January 2025 entered into between Giraffe Shanghai and 上海安曉液化石油氣有限公司, the annual rent under the Tenancy Agreement in Note 3 for the period from 1 March 2025 to 28 February 2027 was adjusted to RMB2,709,197.

5. Pursuant to a Lease-back Agreement dated 28 February 2024 entered into between 上海安曉液化石油氣有限公司 and Giraffe Shanghai, the former agreed to lease back a portion of the real property with a GFA of approximately 356.22 sq.m. to the latter for a term of 6 years from 1 March 2024 to 28 February 2030 at a monthly rent of RMB13,022 exclusive of management fee and other relevant outgoings.
6. Pursuant to a Supplemental Agreement dated 20 January 2025 entered into between Giraffe Shanghai and 上海安曉液化石油氣有限公司, the monthly rent under the Tenancy Agreement in Note 5 for the period from 1 March 2025 to 28 February 2027 was adjusted to RMB8,668.
7. The opinion of the PRC legal advisor to CPM Group contains, inter alia, the following:
 - a. The land use rights and building ownership rights of the real property are legally vested in Giraffe Shanghai.
 - b. Giraffe Shanghai is entitled to occupy, use, receive income and dispose of the real property freely in the market.
 - c. The real property is not subject to any mortgage.
8. Giraffe Shanghai is an indirect wholly-owned subsidiary of the Company.
9. In the course of our valuation, we have made reference to various rental information of similar real properties within the locality which have similar characteristics comparable to the real property. The monthly unit rents of these rental information range from about RMB39 to RMB60 per sq.m.

VALUATION REPORT

No.	Real Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 March 2026 RMB
7.	An industrial complex located at Jiemin Village, Sanjiao Town, Zhongshan City, Guangdong Province, the PRC 中國 廣東省 中山市 三角鎮結民村 之一個工業廠房	The real property comprises an industrial complex having four parcels of land with a total site area of approximately 33,333.2 sq.m. (or about 358,798.6 sq.ft.) upon which various buildings and structures, mainly completed 2008 were erected. The total gross floor area (“GFA”) of the real property is approximately 17,456.22 sq.m. (or about 187,898.8 sq.ft.). The land use rights of the real property have been granted for a term expiring on 30 December 2048 for industrial use.	As at the valuation date, the real property was subject to a tenancy at a monthly rent of RMB289,145 for industrial use. <i>(Please refer to Notes 3 to 4 for details.)</i>	64,800,000 (Sixty Four Million and Eight Hundred Thousand Only)

Notes: –

1. The real property is located in Sanjiao Town of Zhongshan City, which is about 1.5 hours’ driving distance to Guangzhou Baiyun International Airport, and about 30 minutes’ driving distance to Zhongshan Railway Station. The immediate locality is an industrial area.
2. Pursuant to 4 Real Estate Title Certificates, Yue (2023) Zhong Shan Shi Bu Dong Chan Quan Di Nos. 0503640, 0506193, 0512306 and 0513585 (粵(2023)中山市不動產權第0503640, 0506193, 0512306 及 0513585號), issued by Zhongshan City Natural Resources Bureau, the land use rights with a total site area of approximately 33,333.2 sq.m. and the building ownership rights with at total GFA of 17,456.22 sq.m. of the real property are legally owned by 永成環保材料(廣東)有限公司 (Yongcheng Eco-friendly Materials (Guangdong) Co., Ltd.) (“Yongcheng Guangdong”) for a term expiring on 30 December 2048 for industrial use. The details of the title documents are as follows:

No.	Certificate No.	Usage	Site Area (sq.m.)	GFA (sq.m.)	Date of Registration
1.	Yue (2023) Zhong Shan Shi Bu Dong Chan Quan Di No. 0503640 粵(2023)中山市不動產權第0503640號	Factory and Warehouse	9,475.80	4,917.44	8 December 2023
2.	Yue (2023) Zhong Shan Shi Bu Dong Chan Quan Di No. 0506193 粵(2023)中山市不動產權第0506193號	Dormitory and Warehouse	9,426.50	6,559.62	11 December 2023
3.	Yue (2023) Zhong Shan Shi Bu Dong Chan Quan Di No. 0512306 粵(2023)中山市不動產權第0512306號	Factory and Office	9,710.10	4,771.95	15 December 2023
4.	Yue (2023) Zhong Shan Shi Bu Dong Chan Quan Di No. 0513585 粵(2023)中山市不動產權第0513585號	Factory and Warehouse	4,720.80	1,207.21	15 December 2023
Total:			33,333.20	17,456.22	
3.	Pursuant to a Tenancy Agreement dated 26 April 2023 entered into between Yongcheng Guangdong and 中山市逸鑫科技有限公司, the former agreed to lease the real property with a total GFA of approximately 17,470.3 sq.m. to the latter for a term of 9 years from 1 June 2023 to 31 March 2032, with a rent-free period of 2 months from 1 June 2023 to 31 July 2023 at a monthly rent of RMB289,145 for the first 3 years, a monthly rent of RMB312,276.6 for the 3rd to 6th years and then a monthly rent of RMB337,258.7 for the remaining term exclusive of management fee and other relevant outgoings.				
4.	Pursuant to a Supplemental Agreement dated 18 July 2025 entered into between Yongcheng Guangdong and 中山市逸鑫科技有限公司, the monthly rent under the Tenancy Agreement in Note 3 in July 2025 was adjusted to RMB144,572.5 which is half of the original monthly rent.				
5.	Pursuant to a Lease-back Agreement dated 30 May 2023 entered into between 中山市逸鑫科技有限公司 and Yongcheng Guangdong, the former agreed to lease back a portion of the real property with a GFA of approximately 6,021.56 sq.m. to the latter for a term of 2 years from 1 June 2023 to 31 May 2025 at a monthly rent of RMB117,893.38 exclusive of management fee and other relevant outgoings.				
6.	Pursuant to a Lease-back Agreement dated 9 June 2025 entered into between 中山市逸鑫科技有限公司 and Yongcheng Guangdong, the former agreed to lease back a portion of the real property with a GFA of approximately 6,021.56 sq.m. to the latter for a term of 2 years from 1 June 2025 to 31 May 2027 at a monthly rent of RMB117,893.38 exclusive of management fee and other relevant outgoings.				
7.	The opinion of the PRC legal advisor to CPM Group contains, inter alia, the following: <ul style="list-style-type: none"> a. The land use rights and building ownership rights of the real property are legally vested in Yongcheng Guangdong. b. Pursuant to a Credit Facility Contract, No. 000602024K00100, dated 3 April 2024 and registered on 23 April 2024, the real property is subject to a mortgage in favour of Shenzhen Rural Commercial Bank Limited Shajing Branch (深圳農村商業銀行股份有限公司沙井支行) at a loan amount of RMB110,000,000. c. Yongcheng Guangdong is entitled to dispose of, transfer, lease out or mortgage the real property with the prior consent obtained from the mortgagee in Note 7b. 				
8.	Yongcheng Guangdong is an indirectly wholly-owned subsidiary of the Company.				
9.	In the course of our valuation, we have made reference to various sale information of similar real properties within the locality which have similar characteristics comparable to the real property. The monthly unit rates of the comparables range from about RMB3,267 to RMB4,136 per sq.m.				

VALUATION REPORT

No.	Real Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 March 2026 RMB
8.	Units 1701 to 1706 on 17th and Units 1801 to 1806 on 18th Floor of Block 5, Hao'er Xuefu Garden, Intersection of Haoxiang Road and Shasan Road Shajing Subdistrict, Bao'an District, Shenzhen City, Guangdong Province, the PRC	<p>The real property comprises 12 residential units located within a large-scale residential development known as "Hao'er Xuefu Garden" completed in about 2011.</p> <p>The total gross floor area ("GFA") of the real property is approximately 1,147.24 sq.m. (or about 12,348.86 sq.ft.).</p> <p>The GFA of the constituent units are as follows:-</p>	<p>As at the valuation date, the real property is subject to various tenancies with the latest term expiring on 15 October 2027 at a total monthly rent of RMB23,800 for residential use.</p> <p>(Please refer to Note 3 for details.)</p>	No Commercial Value
	中國廣東省深圳市寶安區沙井街道蠓鄉路與沙三路交匯處蠓二學府花園5座17樓1701至1706室及18樓1801-1806室	Unit	GFA (approx.) <i>sq.m.</i> <i>sq.ft.</i>	
		1701	120.88 1,301.15	
		1702	85.75 923.01	
		1703	80.75 869.19	
		1704	80.75 869.19	
		1705	85.75 923.01	
		1706	120.88 1,301.15	
		1801	120.88 1,301.15	
		1802	84.61 910.74	
		1803	80.75 869.19	
		1804	80.75 869.19	
		1805	84.61 910.74	
		1806	120.88 1,301.15	
		Total:	1,147.24 12,348.86	

Notes: –

- The real property is located in Bao'an District of Shenzhen City, which is about 30 minutes' driving distance to Bao'an International Airport. The immediate locality is a residential and industrial area.
- Pursuant to 12 Real Estate Use Right Certificates(房屋使用權証), Shen (Ji) Fang Zi Di Nos. 005D1701 to 005D1706 and 005D1801 to 005D1806 (深(集)房字第005D1701至005D1706及005D1801至005D1806號), issued by Shenzhen City Hao'er Investment Co., Limited (深圳市蠓二投資有限公司), the land and building use rights with at total GFA of 1,147.24 sq.m. of the real property are vested in 中華製漆(深圳)有限公司 (The China Paint Manufacturing (Shenzhen) Co., Ltd.) ("China Paint (Shenzhen)") for a term expiring on 30 September 2074 for residential uses.

3. Pursuant to 8 Tenancy Agreements dated between 28 February 2025 and 4 March 2026 entered into between “China Paint (Shenzhen)” and various independent third party tenants, the real property is leased to the tenants with the latest term expiring on 15 October 2027 at a total monthly rent of RMB23,800 for residential use. The details of which are summarized in the table below:

Unit(s)	Term	Monthly Rent <i>RMB</i>
1701	Vacant and available for lease	–
1702	1 January 2026 to 31 December 2026	2,900
1703	16 June 2025 to 15 June 2026	2,900
1704	16 October 2025 to 15 October 2027	2,900
1705	6 August 2025 to 5 August 2026	2,900
1706	Vacant and available for lease	–
1801	1 April 2025 to 31 March 2026	3,500
1802	Vacant and available for lease	–
1803	1 August 2025 to 31 July 2026	2,900
1804	1 July 2025 to 30 June 2026	2,900
1805	10 March 2025 to 9 March 2027	2,900
1806	Vacant and available for lease	–
		23,800

4. The opinion of the PRC legal advisor to CPM Group contains, inter alia, the following:
- a. The nature of the real property held by China Paint (Shenzhen) is minority real estate property under which China Paint (Shenzhen) cannot perform the real estate registration in order to obtain the real estate title certificate.
 - b. China Paint (Shenzhen) is unable to perform the procedures for the creation, alteration, transfer and extinguishment of the real property rights as stipulated in the Civil Code of the People’s Republic of China.
 - c. There is a risk that the Tenancy Agreements in Note 3 may be considered invalid, if China Paint (Shenzhen) has not obtained the title certificates, Construction Works Planning Permit or the real property was not constructed in compliance with such permit.
 - d. The real property is not subject to any mortgage.
5. China Paint (Shenzhen) is an indirectly wholly-owned subsidiary of the Company.
6. We have attributed no commercial value to the real property, as CPM Group only holds rights of use and sub-lease, without legal title or ownership interests.

VALUATION REPORT

No.	Real Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 March 2026 RMB																																														
9.	Units 901, 902 and 1001 of Block A, 901, 902 and 1001 of Block B, 801 and 802 of Block C, 803 and 903 of Block D, Tower 1, Xingguang Huating, Weiqian Xiaoqu, Yabian Community, Shajing Subdistrict, Bao'an District, Shenzhen City, Guangdong Province, the PRC	<p>The real property comprises 10 residential units located within a large-scale residential development known as "Xingguang Huating" completed in about 2011.</p> <p>The total gross floor area ("GFA") of the real property is approximately 778.6 sq.m. (or about 8,380.86 sq.ft.).</p> <p>The GFA of the constituent units are as follows:-</p> <table border="1" style="margin-left: 20px;"> <thead> <tr> <th>Block</th> <th>Unit</th> <th colspan="2">GFA (approx.)</th> </tr> <tr> <td></td> <td></td> <th>sq.m.</th> <th>sq.ft.</th> </tr> </thead> <tbody> <tr> <td rowspan="3">A</td> <td>901</td> <td>73.90</td> <td>795.46</td> </tr> <tr> <td>902</td> <td>74.10</td> <td>797.61</td> </tr> <tr> <td>1001</td> <td>73.90</td> <td>795.46</td> </tr> <tr> <td rowspan="3">B</td> <td>901</td> <td>73.70</td> <td>793.31</td> </tr> <tr> <td>902</td> <td>73.90</td> <td>795.46</td> </tr> <tr> <td>1001</td> <td>73.70</td> <td>793.31</td> </tr> <tr> <td rowspan="2">C</td> <td>801</td> <td>73.70</td> <td>793.31</td> </tr> <tr> <td>802</td> <td>73.90</td> <td>795.46</td> </tr> <tr> <td rowspan="2">D</td> <td>803</td> <td>93.90</td> <td>1,010.74</td> </tr> <tr> <td>903</td> <td>93.90</td> <td>1,010.74</td> </tr> <tr> <td colspan="2">Total:</td> <td>778.60</td> <td>8,380.86</td> </tr> </tbody> </table>	Block	Unit	GFA (approx.)				sq.m.	sq.ft.	A	901	73.90	795.46	902	74.10	797.61	1001	73.90	795.46	B	901	73.70	793.31	902	73.90	795.46	1001	73.70	793.31	C	801	73.70	793.31	802	73.90	795.46	D	803	93.90	1,010.74	903	93.90	1,010.74	Total:		778.60	8,380.86	<p>As at the valuation date, the real property is subject to various tenancies with the latest term expiring on 15 April 2027 at a total monthly rent of RMB20,300 for residential use.</p> <p>(Please refer to Note 3 for details.)</p>	No Commercial Value
Block	Unit	GFA (approx.)																																																
		sq.m.	sq.ft.																																															
A	901	73.90	795.46																																															
	902	74.10	797.61																																															
	1001	73.90	795.46																																															
B	901	73.70	793.31																																															
	902	73.90	795.46																																															
	1001	73.70	793.31																																															
C	801	73.70	793.31																																															
	802	73.90	795.46																																															
D	803	93.90	1,010.74																																															
	903	93.90	1,010.74																																															
Total:		778.60	8,380.86																																															

Notes: –

- The real property is located in Bao'an District of Shenzhen City, which is about 30 minutes' driving distance to Bao'an International Airport. The immediate locality is a residential and industrial area.
- Pursuant to 10 Real Estate Use Right Certificates(房屋使用權証), issued by Shenzhen City Shajing Yabian Shareholding Cooperative Company (深圳市沙井衙邊股份合作公司), the land and building use rights with at total GFA of 778.6 sq.m. of the real property are vested in 中華製漆(深圳)有限公司 (The China Paint Manufacturing (Shenzhen) Co., Ltd.) ("China Paint (Shenzhen)") for a term expiring on 1 January 2076 for residential uses.

3. Pursuant to 8 Tenancy Agreements dated between 6 September 2024 and 23 March 2026 entered into between “China Paint (Shenzhen)” and various independent third party tenants, the real property is leased to the tenants with the latest term expiring on 15 April 2027 at a total monthly rent of RMB20,300 for residential use. The details of which are summarized in the table below:

Block	Unit(s)	Term	Monthly Rent <i>RMB</i>
A	901	Vacant and available for lease	–
	902	16 June 2025 to 15 June 2026	2,400
	1001	16 April 2025 to 15 April 2027	2,400
B	901	1 December 2025 to 30 November 2026	2,400
	902	15 March 2026 to 14 March 2027	2,500
	1001	7 April 2025 to 6 April 2027	2,400
C	801	16 July 2025 to 15 July 2026	2,400
	802	Vacant and available for lease	–
D	803	16 September 2024 to 15 September 2026	2,800
	903	1 October 2025 to 30 September 2026	3,000
			20,300

4. The opinion of the PRC legal advisor to CPM Group contains, inter alia, the following:
- a. The nature of the real property held by China Paint (Shenzhen) is minority real estate property under which China Paint (Shenzhen) cannot perform the real estate registration in order to obtain the real estate title certificate.
 - b. China Paint (Shenzhen) is unable to perform the procedures for the creation, alteration, transfer and extinguishment of the real property rights as stipulated in the Civil Code of the People’s Republic of China.
 - c. There is a risk that the Tenancy Agreements in Note 3 may be considered invalid, if China Paint (Shenzhen) has not obtained the title certificates, Construction Works Planning Permit or the real property was not constructed in compliance with such permit.
 - d. The real property is not subject to any mortgage.
5. China Paint (Shenzhen) is an indirectly wholly-owned subsidiary of the Company.
6. We have attributed no commercial value to the real property, as CPM Group only holds rights of use and sub-lease, without legal title or ownership interests.

VALUATION REPORT

No.	Real Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 March 2026 <i>RMB</i>
10.	Unit 403 of Tower 20, Hongya Garden, North Side of Baomin Road, Xin'an Subdistrict, Bao'an District Shenzhen City, Guangdong Province, the PRC 中國廣東省深圳市 寶安區新安街道寶民路北側 弘雅花園20棟403室	The real property comprises a residential unit within a large-scale residential development known as "Hongya Garden" completed in about 1989. The gross floor area ("GFA") of the real property is approximately 87.87 sq.m. (or about 945.8 sq.ft.). The land use rights of the real property have been granted for a term expiring on 17 August 2038 for residential use.	As at the valuation date, the real property was subject to a tenancy at a monthly rent of RMB4,000 for residential use. <i>(Please refer to Note 3 for details.)</i>	3,600,000 (Three Million and Six Hundred Thousand Only)

Notes: –

1. The real property is located in Bao'an District of Shenzhen City, which is about 30 minutes' driving distance to Bao'an International Airport. The immediate locality is a residential area.
2. Pursuant to a Real Estate Title Certificate, Yue (2017) Shen Zhen Shi Bu Dong Chan Quan Di No. 0029178 (粵(2017)深圳市不動產權第0029178號), issued by Shenzhen City Real Estate Registration Centre dated 8 March 2017, the land use rights and the building ownership rights of the real property are legally owned by 中華製漆(深圳)有限公司 (The China Paint Manufacturing (Shenzhen) Co., Ltd.) ("China Paint (Shenzhen)") for a term expiring on 17 August 2038 for residential use.
3. Pursuant to a Tenancy Agreement dated 22 January 2026 entered into between China Paint (Shenzhen) and 劉芳, the former agreed to lease the real property with a GFA of approximately 87.87 sq.m. to the latter for a term of 2 years from 1 March 2026 to 29 February 2028 at a monthly rent of RMB4,000 exclusive of management fee but exclusive of other relevant outgoings.
4. The opinion of the PRC legal advisor to CPM Group contains, inter alia, the following:
 - a. The land use rights and building ownership rights of the real property are legally vested in China Paint (Shenzhen).
 - b. China Paint (Shenzhen) is entitled to occupy, use, receive income and dispose of the real property freely in the market.
 - c. The real property is not subject to any mortgage.
5. China Paint (Shenzhen) is an indirectly wholly-owned subsidiary of the Company.
6. In the course of our valuation, we have made reference to various sale information of similar real properties within the locality which have similar characteristics comparable to the real property. The monthly unit rates of the comparables range from about RMB41,539 to RMB45,769 per sq.m.

VALUATION REPORT

Group II – Real properties held by CPM Group for owner-occupation in the PRC

No.	Real Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 March 2026 <i>RMB</i>
11.	Unit 702 on 7th Floor, Building 13 of Keenstar, Baoan District, Shenzhen City, The PRC 中國廣東省深圳市 寶安區 勤誠達樂園13號樓702	The real property comprises an office unit within a 31-storey commercial building completed in about 2019. The gross floor area (“GFA”) of the real property is approximately 172.78 sq.m. (or about 1,859.8 sq.ft.). The land use rights of the real property have been granted for a term expiring on 19 May 2056 for commercial, residential / office uses.	As at the valuation date, the real property was occupied by CPM Group for office use.	4,000,000 (Four Million Only)

Notes: –

1. The real property is located in Bao’an District of Shenzhen City, which is about 25 minutes’ driving distance to Shenzhen Bao’an International Airport. The immediate locality is a residential and commercial area.
2. Pursuant to a Real Estate Title Certificate, Yue (2022) Shen Zhen Shi Bu Dong Chan Quan Di No. 0054238 (粵(2022)深圳市不動產權第0054238號), issued by Shenzhen City Real Estate Registration Centre dated 19 May 2022, the land use rights and the building ownership rights of the real property are legally owned by 中華製漆(深圳)有限公司 (The China Paint Manufacturing (Shenzhen) Co., Ltd.) (“China Paint (Shenzhen)”) for a term expiring on 19 May 2056 for commercial, residential/office uses.
3. The opinion of the PRC legal advisor to CPM Group contains, inter alia, the following:
 - a. The land use rights and building ownership rights of the real property are legally vested in China Paint (Shenzhen).
 - b. China Paint (Shenzhen) is entitled to occupy, use, receive income and dispose of the real property freely in the market.
 - c. The real property is not subject to any mortgage.
4. China Paint (Shenzhen) is an indirectly wholly-owned subsidiary of the Company.
5. In the course of our valuation, we have made reference to various sale information of similar real properties within the locality which have similar characteristics comparable to the real property. The monthly unit rates of the comparables range from about RMB23,770 to RMB26,936 per sq.m.

VALUATION REPORT

No.	Real Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 March 2026 <i>RMB</i>
12.	<p>An industrial complex located at No. 18 of Sanwei 9 Zu, Hengjiang Village, Fengcheng Subdistrict, Xinfeng County, Shaoguan City, Guangdong Province, the PRC</p> <p>中國廣東省韶關市新豐縣豐城街道橫江村三圍九組18號</p>	<p>The real property comprises an industrial complex having a parcel of land with a site area of approximately 248,539.08 sq.m. (or about 2,675,274.7 sq.ft.), upon which various buildings and structures, mainly completed between 2011 to 2018, were erected.</p> <p>The total gross floor area (“GFA”) of the buildings of the real property with title certificates is approximately 33,177.09 sq.m. (or about 357,118.2 sq.ft.).</p> <p>The land use rights of the real property have been granted for a term expiring on 27 October 2056 for industrial / storage uses.</p>	<p>As at the valuation date, the real property was occupied by the CPM Group for industrial use.</p>	<p>109,400,000</p> <p>(One Hundred Nine Million and Four Hundred Thousand Only)</p>

Notes: –

1. The real property is located in Xinfeng County of Shaoguan City, which is about 1.5 hours’ driving distance to Guangzhou Baiyun International Airport. The immediate locality is an industrial/rural residential area.
2. Pursuant to 23 Real Estate Title Certificates issued by Xinfeng County Land and Resources Bureau, the land use rights with a site area of approximately 248,539.08 sq.m. and the building ownership rights with at total GFA of 33,177.09 sq.m. of the real property are legally owned by 中華製漆(新豐)有限公司 (The China Paint Mfg. Co., (Xinfeng) Ltd.) (“China Paint (Xinfeng)”) for a term expiring on 27 October 2056 for industrial/storage uses. The details of the title documents are as follows:

No.	Certificate No.	Usage	GFA (sq.m.)	Date of Registration
1.	Yue (2018) Xin Feng Xian Bu Dong Chan Quan Di Nos. 0000263 粵(2018)新豐縣不動產權第0000263號	Office	5,796.49	8 February 2018
2.	Yue (2018) Xin Feng Xian Bu Dong Chan Quan Di Nos. 0000264 粵(2018)新豐縣不動產權第0000264號	Dormitory	2,358.82	8 February 2018
3.	Yue (2018) Xin Feng Xian Bu Dong Chan Quan Di Nos. 0000265 粵(2018)新豐縣不動產權第0000265號	Guard Room	32.00	8 February 2018
4.	Yue (2018) Xin Feng Xian Bu Dong Chan Quan Di Nos. 0000266 粵(2018)新豐縣不動產權第0000266號	Guard Room	32.00	8 February 2018
5.	Yue (2018) Xin Feng Xian Bu Dong Chan Quan Di Nos. 0000267 粵(2018)新豐縣不動產權第0000267號	Factory	1,362.00	8 February 2018
6.	Yue (2018) Xin Feng Xian Bu Dong Chan Quan Di Nos. 0000268 粵(2018)新豐縣不動產權第0000268號	Storage	180.00	8 February 2018
7.	Yue (2018) Xin Feng Xian Bu Dong Chan Quan Di Nos. 0000269 粵(2018)新豐縣不動產權第0000269號	Storage	180.00	8 February 2018
8.	Yue (2018) Xin Feng Xian Bu Dong Chan Quan Di Nos. 0000270 粵(2018)新豐縣不動產權第0000270號	Storage	180.00	8 February 2018
9.	Yue (2018) Xin Feng Xian Bu Dong Chan Quan Di Nos. 0000271 粵(2018)新豐縣不動產權第0000271號	Storage	180.00	8 February 2018
10.	Yue (2018) Xin Feng Xian Bu Dong Chan Quan Di Nos. 0000272 粵(2018)新豐縣不動產權第0000272號	Electrical Room	532.40	8 February 2018

No.	Certificate No.	Usage	GFA (sq.m.)	Date of Registration
11.	Yue (2018) Xin Feng Xian Bu Dong Chan Quan Di Nos. 0000273 粵(2018)新豐縣不動產權第0000273號	Factory	2,290.44	8 February 2018
12.	Yue (2018) Xin Feng Xian Bu Dong Chan Quan Di Nos. 0000274 粵(2018)新豐縣不動產權第0000274號	Storage	1,500.00	8 February 2018
13.	Yue (2018) Xin Feng Xian Bu Dong Chan Quan Di Nos. 0000275 粵(2018)新豐縣不動產權第0000275號	Storage	1,000.00	8 February 2018
14.	Yue (2018) Xin Feng Xian Bu Dong Chan Quan Di Nos. 0000276 粵(2018)新豐縣不動產權第0000276號	Storage	1,920.00	8 February 2018
15.	Yue (2018) Xin Feng Xian Bu Dong Chan Quan Di Nos. 0000277 粵(2018)新豐縣不動產權第0000277號	Storage	1,824.00	8 February 2018
16.	Yue (2018) Xin Feng Xian Bu Dong Chan Quan Di Nos. 0000278 粵(2018)新豐縣不動產權第0000278號	Storage	1,920.00	8 February 2018
17.	Yue (2018) Xin Feng Xian Bu Dong Chan Quan Di Nos. 0000279 粵(2018)新豐縣不動產權第0000279號	Storage	1,417.50	8 February 2018
18.	Yue (2018) Xin Feng Xian Bu Dong Chan Quan Di Nos. 0000280 粵(2018)新豐縣不動產權第0000280號	Factory	2,337.81	8 February 2018
19.	Yue (2018) Xin Feng Xian Bu Dong Chan Quan Di Nos. 0000281 粵(2018)新豐縣不動產權第0000281號	Guard Room	86.13	8 February 2018
20.	Yue (2019) Xin Feng Xian Bu Dong Chan Quan Di Nos. 0000266 粵(2019)新豐縣不動產權第0000266號	Storage	1,824.00	5 March 2019
21.	Yue (2019) Xin Feng Xian Bu Dong Chan Quan Di Nos. 0000267 粵(2019)新豐縣不動產權第0000267號	Storage	1,920.00	5 March 2019

No.	Certificate No.	Usage	GFA (sq.m.)	Date of Registration
22.	Yue (2019) Xin Feng Xian Bu Dong Chan Quan Di Nos. 0000268 粵(2019)新豐縣不動產權第0000268號	Storage	1,920.00	5 March 2019
23.	Yue (2019) Xin Feng Xian Bu Dong Chan Quan Di Nos. 0000304 粵(2019)新豐縣不動產權第0000304號	Storage	2,383.50	5 March 2019
Total:			33,177.09	

3. The opinion of the PRC legal advisor to CPM Group contains, inter alia, the following:
- a. The land use rights and building ownership rights of the real property are legally vested in China Paint (Xinfeng).
 - b. Pursuant to a Mortgage Contract, No. 44100620250018161, dated 12 August 2025 and registered on 20 August 2025, the real property is subject to a mortgage in favour of Agricultural Bank of China Limited Xinfeng County Branch (中國農業銀行股份有限公司新豐縣支行) for a period commencing on 9 July 2025 and expiring on 8 July 2033 at a loan amount of RMB85,000,000..
 - c. China Paint (Xinfeng) is entitled to dispose of, transfer, lease out or mortgage the real property with the prior consent from the mortgagee in Note 3b.
4. China Paint (Xinfeng) is an indirect wholly-owned subsidiary of the Company.
5. In the course of our valuation, we have made reference to various sale information of similar real properties within the locality which have similar characteristics comparable to the real property. The monthly unit rates of the comparables range from about RMB1,999 to RMB2,540 per sq.m.

VALUATION REPORT

Group III – Real properties leased by CPM Group in the PRC

No.	Real Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 March 2026 RMB
13.	Units 201, 202, 203, 204, 301 & 302, Block A1, Quan Zhi Zhi Hui Garden, No. 5 Li Gang South Road, Shajing Subdistrict, Bao'an District, Shenzhen City, Guangdong Province, the PRC 中國廣東省深圳市 寶安區沙井街道 立崗南路5號全至智薈公園A1棟 201, 202, 203, 204, 301及302室	The real property comprises 4 office units on Level 2 and 2 office units on Level 3 located in Shajing Subdistrict. As per information provided, the gross floor area of the real property is approximately 1,894 sq.m.	As at the valuation date, the real property was leased from an independent third party lessor and occupied by CPM Group for its own use.	No Commercial Value

Notes: –

1. The real property is located in Bao'an District of Shenzhen City, which is about 25 minutes' driving distance to Shenzhen Bao'an International Airport. The immediate locality is a residential and industrial area.
2. Pursuant to a Tenancy Agreement dated 29 April 2022 entered into between 深圳市全至產業新城運營有限公司 and 中華製漆(深圳)有限公司 (The China Paint Manufacturing (Shenzhen) Co., Ltd.) ("China Paint (Shenzhen)"), the real property is leased to the latter for a term of five years and 26 days from 5 May 2022 to 31 May 2027 with a rent-free period from 5 May 2022 to 15 July 2022 at a monthly rent of RMB96,138 from 16 July 2022 to 15 September 2022 and a monthly rent of RMB101,706 from 16 September 2022 to 15 May 2025 and thereafter subject to rental increment at 8% for every 3 years exclusive of tax and all relevant outgoings for office purpose.
3. Pursuant to a Supplemental Agreement dated 11 June 2025, both parties agreed to maintain the monthly rent of RMB101,706 exclusive of tax and all relevant outgoings for the period from 16 May 2026 to 31 May 2027.

4. Pursuant to a Supplemental Agreement dated 22 October 2025, both parties agreed to the rent-free periods and monthly rents tabulated as below:

Period of Tenancy	Monthly Rent
1 October 2025 to 31 October 2025	Rent free
1 November 2025 to 30 September 2026	101,706
1 October 2026 to 31 October 2026	Rent free
1 November 2026 to 30 April 2027	101,706
1 May 2027 to 31 May 2027	Rent free

5. China Paint (Shenzhen) is an indirectly wholly-owned subsidiary of the Company.
6. The opinion of the PRC legal advisor to CPM Group contains, inter alia, the following:
- a. As the real property had not been constructed with a Construction Works Planning Permit and in accordance with the requirements under such permit, there is a risk that the Tenancy Agreement may be considered invalid; China Paint (Shenzhen) may be subject to occupation risks if the lessor's rights or the Tenancy Agreement are invalid.
 - b. The lessor shall be liable for the failure to provide valid title certificates of the real property. Should any disputes or loss arise, China Paint (Shenzhen) is entitled to have rent reduction or exemption and claim compensation from the lessor; China Paint (Shenzhen) will not be subject to administrative penalty due to such invalid occupation of the real property and also relocation risk is considered to be low.
 - c. As per confirmation provided by the Company, China Paint (Shenzhen) is occupying the real property for general office purposes; there exists no practical difficulties for China Paint (Shenzhen) to secure alternative office premises at similar rental level in the vicinity without significant impact on the production and operation of China Paint (Shenzhen); and the risk of forced relocation is consideration to be low.

VALUATION REPORT

No.	Real Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 March 2026 <i>RMB</i>
14.	Unit 907, Second of No. 100 Huangpu Road West, Tian He District, Guangzhou City, Guangdong Province, the PRC 中國廣東省廣州市天河區 黃埔大道西100號之二907房	The real property comprises an office unit located in Tianhe District. As per information provided, the gross floor area of the real property is approximately 129.53 sq.m.	As at the valuation date, the real property was leased from an independent third party lessor and occupied by CPM Group for its own use.	No Commercial Value

Notes: –

1. The real property is located in Tianhe District of Guangzhou City, which is about 45 minutes' driving distance to Guangzhou Baiyun International Airport. The immediate locality is a commercial area.
2. Pursuant to a Tenancy Agreement dated 18 August 2025 entered into between 田俊 and 中華製漆(深圳)有限公司廣州分公司 (The China Paint Manufacturing (Shenzhen) Co., Ltd. – Guangzhou Sub-branch) (“China Paint (Shenzhen) Guangzhou Sub-branch”), the real property is leased to the latter for a term from 18 August 2025 to 17 October 2027 at a monthly rent of RMB9,067 exclusive of tax and all relevant outgoings for office purpose with a rent-free period from 18 August 2025 to 17 October 2025.
3. China Paint (Shenzhen) is an indirectly wholly-owned subsidiary of the Company.
4. The opinion of the PRC legal advisor to CPM Group contains, inter alia, the following:
 - a. The lessor has provided ownership certificate and lease registration certificate (房屋租賃備案憑證) and China Paint (Shenzhen) is entitled to use and occupy the real property in accordance with the relevant terms and conditions in the Tenancy Agreement in Note 2.
 - b. As per confirmation provided by the Company, China Paint (Shenzhen) is occupying the real property for general office purposes; there exists no practical difficulties for China Paint (Shenzhen) to secure alternative office premises at similar rental level in the vicinity without significant impact on the production and operation of China Paint (Shenzhen); and the risk of forced relocation is consideration to be low.

VALUATION REPORT

Group IV – Real properties leased by CPM Group in Hong Kong

No.	Real Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 March 2026 <i>HK\$</i>
15.	Unit A on 21st Floor, Tagus Residences, No. 8 Ventris Road, Happy Valley, Hong Kong	The real property comprises a residential unit on 21st Floor of a high-rise residential building known as Tagus Residences. The building was completed in 2014.	As at the valuation date, the real property was leased from an independent third party lessor and occupied by CPM Group for its own use.	No Commercial Value
		As per information from the Rating and Valuation Department, the saleable area of the real property is approximately 459 sq.ft. (or about 42.6 sq.m.) plus a bay window of about 20 sq.ft. (or about 1.9 sq.m.) and an air-conditioning platform of about 16 sq.ft. (or about 1.5 sq.m.)		

Notes: –

1. The real property is located in Happy Valley district of Hong Kong Island, which is within about 10 minutes' walking distance to Causeway Bay MTR Station. The immediate locality is a residential area.
2. Pursuant to a Tenancy Agreement dated 20 March 2025 entered into between Tagus Residential Limited and Shine Express Development Limited, the real property is leased to the latter for a term of two years from 1 April 2025 to 31 March 2027 at a monthly rent of HK\$28,000 inclusive of management fee, rates and government rents for residential purpose.
3. The lessee of the real property is Shine Express Development Limited, which is an indirectly wholly-owned subsidiary of the Company.

VALUATION REPORT

No.	Real Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 March 2026 <i>HK\$</i>
16.	Car Parking Space No. 8 on 5th Floor, Morrison Plaza, No. 9 Morrison Hill Road, Wanchai, Hong Kong	The real property comprises a car parking space on 5th Floor of a high-rise commercial building known as Morrison Plaza. The building was completed in 1996.	As at the valuation date, the real property was leased from an independent third party lessor and occupied by CPM Group for its own use.	No Commercial Value

Notes: –

1. The real property is located in Causeway Bay district of Hong Kong Island, which is within about 10 minutes' walking distance to Causeway Bay MTR Station. The immediate locality is a commercial/residential area.
2. Pursuant to a Tenancy Agreement dated 21 October 2025 entered into between Wan Chung Por and Shine Express Development Limited, the real property is leased to the latter for a term of two years from 1 November 2025 to 31 October 2027 at a monthly rent of HK\$3,600 inclusive of management fee and government rates for car park purpose.
3. The lessee of the real property is Shine Express Development Limited, which is an indirectly wholly-owned subsidiary of the Company.

VALUATION REPORT

No.	Real Property	Description and tenure	Particulars of occupancy	Market Value in existing state as at 31 March 2026 HK\$
17.	Factory Unit D on 10th Floor, Lung Shing Factory Building, Nos. 142-148 Texaco Road, Tsuen Wan, New Territories, Hong Kong	The real property comprises an industrial unit on 10th Floor of a high-rise industrial building known as Lung Shing Factory Building. The building was completed in 1978. As per information provided, the gross floor area of the real property is approximately 2,941 sq.ft. (or about 273.2 sq.m.)	As at the valuation date, the real property was leased from an independent third party lessor and occupied by CPM Group for its own use.	No Commercial Value

Notes: –

1. The real property is located in Tsuen Wan district of New Territories, which is within about 20 minutes' walking distance to Tai Wo Hau MTR Station. The immediate locality is an industrial area.
2. Pursuant to a Tenancy Agreement dated 18 March 2023 entered into between J & L Investment Limited and Shine Express Development Limited, the real property is leased to the latter for a term of three years from 1 January 2024 to 31 December 2026 at a monthly rent of HK\$23,800 inclusive of rates, government rents and management fee for industrial purpose.
3. The lessee of the real property is Shine Express Development Limited, which is an indirectly wholly-owned subsidiary of the Company.

1. RESPONSIBILITY STATEMENT

The directors of SHK and AGL jointly and severally accept full responsibility for the accuracy of the information contained in this Composite Document (other than that relating to the CPM Group and Prime Surplus) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this Composite Document (other than opinions expressed by the CPM Directors and the sole director of Prime Surplus) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any statement in this Composite Document misleading.

The sole director of Prime Surplus accepts full responsibility for the accuracy of the information contained in this Composite Document (other than that relating to the CPM Group and SHK) and confirms, having made all reasonable inquiries, that to the best of his knowledge, opinions expressed in this Composite Document (other than opinions expressed by the directors of SHK and the opinions expressed by the CPM Directors in their capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any statement in this Composite Document misleading.

2. MARKET PRICES

The table below sets out the closing prices of the CPM Shares as quoted on the Stock Exchange on (i) the last Business Day of each of the calendar months during the Relevant Period; (ii) the Last Trading Day; and (iii) the Latest Practicable Date:

Date	Closing price per CPM Share HK\$
31 October 2025	0.138
28 November 2025	0.122
31 December 2025	0.144
30 January 2026	0.220
27 February 2026	0.290
31 March 2026	0.220
10 April 2026 (being the Last Trading Day)	0.249
30 April 2026	0.209
29 May 2026	0.234
18 June 2026 (being the Latest Practicable Date)	0.240

During the Relevant Period:

- a) the highest closing price of the CPM Shares quoted on the Stock Exchange was HK\$0.440 per CPM Share on 5 May 2026; and
- b) the lowest closing price of the CPM Shares quoted on the Stock Exchange was HK\$0.121 per CPM Share on 25 and 26 November 2025.

3. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, CPM is owned as to 75.0% by CNT Enterprises Limited (a wholly-owned subsidiary of CNT).

As at the Latest Practicable Date, the Offerors and parties acting in concert with any of them are interested in 955,262,668 CNT Shares (all of which are interested by Prime Surplus), representing approximately 50.18% of the total issued share capital of CNT as at the Latest Practicable Date.

As at the Latest Practicable Date, Mr. Tsui wholly owns Prime Surplus and is interested in 10,000,000 CPM Share Options.

Save as disclosed above, as at the Latest Practicable Date, the Offerors, the directors of the Offerors, CNT and parties acting in concert with any of them were not interested directly or indirectly in any voting rights or rights over any CPM Shares, convertible securities, warrants or options of CPM or any derivatives in respect of such securities.

4. ADDITIONAL DISCLOSURE OF INTERESTS AND DEALINGS AND OTHER ARRANGEMENTS

The Offerors confirm that:

- (a) neither the Offerors, the directors of the Offerors, CNT nor any person acting in concert with any of them has dealt in any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of CPM during the Relevant Period;
- (b) save as disclosed in the section headed “3. DISCLOSURE OF INTERESTS” above, neither the Offerors, the directors of the Offerors, CNT nor the parties acting in concert with any of them owned or had control or direction over any voting rights or rights over any CPM Shares or convertible securities, warrants, options of CPM or any other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of CPM as at the Latest Practicable Date;
- (c) no person had irrevocably committed himself to accept or reject the CPM Offers;

- (d) none of the Offerors or parties acting in concert with any of them had entered into any arrangement (whether by way of option, indemnity or otherwise) of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with any other persons as at the Latest Practicable Date;
- (e) there are no relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in CPM which the Offerors (or the parties acting in concert with any of them) have borrowed or lent during the Relevant Period;
- (f) there was no agreement, arrangement or understanding (including any compensation arrangement) exists between the Offerors or parties acting in concert with any of them and any CPM Directors, recent CPM Directors, Independent CPM Shareholders or recent Independent CPM Shareholders having any connection with or dependence upon the CPM Offers;
- (g) there was no agreement, arrangement or understanding that any securities acquired in pursuance of the CPM Offers would be transferred, charged or pledged to any other persons;
- (h) there was no agreement or arrangement to which any of the Offerors is a party which relates to circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the CPM Offers;
- (i) no material contracts had been entered into by any of the Offerors in which any CPM Director had a material personal interest;
- (j) no benefit (other than statutory compensation required under the applicable laws) had been or would be given to any CPM Directors as compensation for loss of office or otherwise in connection with the CPM Offers; and
- (k) there is no understanding, arrangement or agreement which constitutes a special deal (as defined under Rule 25 of the Takeovers Code) between any Independent CPM Shareholders and any of the Offerors and/or the parties acting in concert with any of them.

5. QUALIFICATION AND CONSENT OF EXPERT

The following are the qualifications of the expert who has given opinions or advice which are contained in this Composite Document:

Name	Qualifications
Yu Ming	a licensed corporation permitted to carry out types 1 (dealing in securities), 4 (advising on securities), 6 (advising on corporate finance) and 9 (asset management) regulated activities under the SFO

Yu Ming has given and has not withdrawn its written consent to the issue of this Composite Document with the inclusion in this Composite Document of the text of its letter and references to its name in the form and context in which it appears.

6. MISCELLANEOUS

- (a) Prime Surplus is wholly-owned by Mr. Tsui. Mr. Tsui is the sole director of Prime Surplus.
- (b) SHK is indirectly wholly-owned by AGL. The board of directors of the SHK comprises Mr. Mark Wong Tai Chun and Mr. Lee Wa Lun, Warren.
- (c) The principal members of the Offerors' concert group are Prime Surplus, Mr. Tsui, SHK and AGL.
- (d) The board of directors of AGL comprises Mr. Lee Seng Hui, Mr. Mak Pak Hung and Mr. Mark Wong Tai Chun as executive directors; Mr. Arthur George Dew (Chairman), Mr. Akihiro Nagahara and Ms. Lee Su Hwei as non-executive directors; and Mr. David Craig Bartlett, Mr. Alan Stephen Jones, Ms. Lisa Yang Lai Sum and Mr. Kelvin Chau Kwok Wing as independent non-executive directors.
- (e) As at the Latest Practicable Date, Mr. Lee Seng Hui together with Ms. Lee Su Hwei and Mr. Lee Seng Huang are the trustees of Lee and Lee Trust, being a discretionary trust. The Lee and Lee Trust controls approximately 75.42% of the total issued shares of AGL (inclusive of Mr. Lee Seng Hui's personal interest of approximately 0.01%).
- (f) The registered office of the Prime Surplus is at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands.
- (g) The correspondence address of Prime Surplus and Mr. Tsui is at 31st Floor, CNT Tower, 338 Hennessy Road, Wanchai, Hong Kong.
- (h) The registered office and correspondence address of SHK is at Room 1801, 18/F, Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong.

- (i) The registered office and correspondence address of AGL is at 22nd Floor, Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong.
- (j) Yu Ming is the financial adviser to the Offerors and is making the CPM Offers on behalf of the Offerors. The registered office of Yu Ming is at Room 1801, 18/F, Allied Kajima Building, 138 Gloucester Road, Wanchai, Hong Kong.

7. DOCUMENTS ON DISPLAY

Copies of the following documents are available for inspection on the website of CPM at <http://www.cpmgroup.com.hk> and the website of the SFC at <http://www.sfc.hk> from the date of this Composite Document up to and including the Closing Date:

- (1) the memorandum and articles of association of Prime Surplus;
- (2) the articles of association of SHK;
- (3) the letter from Yu Ming, the text of which is set out on pages 8 to 17 of this Composite Document; and
- (4) the written consent referred to in the section headed “5. QUALIFICATION AND CONSENT OF EXPERT” in this Appendix IV to this Composite Document.

1. RESPONSIBILITY STATEMENT

This Composite Document includes particulars given in compliance with the Takeovers Code for the purpose of giving information with regard to the CPM Group. The CPM Directors jointly and severally accept full responsibility for the accuracy of the information contained in this Composite Document (other than that relating to the Offerors or parties acting in concert with any of them) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this Composite Document (other than that expressed by the director(s) of each of the Offerors in their capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained in this Composite Document, the omission of which would make any statements in this Composite Document misleading.

2. SHARE CAPITAL

As of the Latest Practicable Date, the authorised and issued share capital of CPM were as follows:

Authorised share capital:	<i>HK\$</i>
8,000,000,000 ordinary shares of par value HK\$0.10 each	800,000,000.00
Issued and fully paid share capital:	<i>HK\$</i>
1,000,000,000 ordinary shares of par value HK\$0.10 each	100,000,000.00

All of the CPM Shares currently in issue rank pari passu in all respects with each other, including, in particular, as to rights in respect of return of capital, dividends and voting. The issued CPM Shares are listed on the Main Board. No CPM Shares are listed or dealt in on any other stock exchange, nor is any listing of, or permission to deal in, the CPM Shares being or proposed to be sought on any other stock exchange.

Since 31 December 2025 (being the date to which the latest audited financial statements of the CPM Group were made up) and up to the Latest Practicable Date, no CPM Shares have been issued by CPM.

As of the Latest Practicable Date, there are a total of 60,000,000 outstanding CPM Share Options, carrying rights to subscribe for 60,000,000 new CPM Shares with an exercise price of HK\$0.335 per CPM Share Option, out of which 10,000,000 CPM Share Options are held by Mr. Tsui and 10,000,000 CPM Share Options are held by Mr. Li Guangzhong, the executive CPM Director.

Save for the 60,000,000 outstanding CPM Share Options in issue, as of the Latest Practicable Date, CPM does not have other class of securities, outstanding options, derivatives, warrants or other securities which are convertible or exchangeable into CPM Shares.

3. MARKET PRICES

The table below shows the closing prices of the CPM Shares as quoted on the Stock Exchange on (i) the last day on which trading took place in each of the calendar months during the Relevant Period; (ii) the Last Trading Day; and (iii) the Latest Practicable Date:

Date	Closing price per CPM Share HK\$
31 October 2025	0.138
28 November 2025	0.122
31 December 2025	0.144
30 January 2026	0.220
27 February 2026	0.290
31 March 2026	0.220
10 April 2026 (being the Last Trading Day)	0.249
30 April 2026	0.209
29 May 2026	0.234
18 June 2026 (being the Latest Practicable Date)	0.240

During the Relevant Period:

- a) the highest closing price of the CPM Shares quoted on the Stock Exchange was HK\$0.440 per CPM Share on 5 May 2026; and
- b) the lowest closing price of the CPM Shares quoted on the Stock Exchange was HK\$0.121 per CPM Share on 25 and 26 November 2025.

4. DISCLOSURE OF INTERESTS

(a) Interests of the CPM Directors and chief executive

As of the Latest Practicable Date, save as disclosed below, no CPM Director or chief executive of CPM had any interests in the shares, underlying shares or debentures of CPM and its associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to CPM and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO; or (b) pursuant to section 352 of the SFO, to be entered in the register maintained by CPM referred to therein; or (c) pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set forth in Appendix C3 to the Listing Rules, to be notified to CPM and the Stock Exchange; or (d) to be disclosed in this Composite Document pursuant to the Takeovers Code.

Name	Capacity	Number of CPM Shares				Number of underlying shares (Note 1)	Total	Percentage of the total number of CPM Shares in issue
		Personal interests	Family interests	Corporate interests	Other interests			
Mr. Tsui	Beneficial owner	-	-	-	-	10,000,000	10,000,000	1.00%
	Interest of controlled corporation (Note 2)	-	-	750,000,000	-	-	750,000,000	75.00%
						760,000,000	76.00%	
Li Guangzhong	Beneficial owner	-	-	-	-	10,000,000	10,000,000	1.00%

Notes:

1. This represented the aggregate number of CPM Share Options granted to the CPM Directors by CPM (being regarded as unlisted physically settled equity derivatives) under the CPM Share Option Scheme.
2. Mr. Tsui was deemed to be interested in 750,000,000 CPM Shares which were held by CNT Enterprises Limited. CNT Enterprises Limited was a wholly-owned subsidiary of CNT. Prime Surplus is interested in 50.18% of the total issued share capital of CNT. Prime Surplus was wholly-owned by Mr. Tsui. Mr. Tsui was deemed under the SFO to be interested in these 750,000,000 CPM Shares which were owned by CNT Enterprises Limited.

(b) Interests of substantial CPM Shareholders

As of the Latest Practicable Date, the substantial CPM Shareholders (not being the CPM Directors or chief executive of CPM) who had interests or short positions in the shares or underlying shares of CPM which would fall to be disclosed to CPM under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by CPM under section 336 of the SFO, were as follows:

Name	Note	Capacity	Number of CPM Shares	Percentage of the total number of CPM Shares in issue
CNT Enterprises Limited	1	Beneficial owner	750,000,000	75.00%
CNT	1	Interest of controlled corporation	750,000,000	75.00%
Prime Surplus	1 & 2	Interest of controlled corporation	750,000,000	75.00%

Notes:

- The reference to the 750,000,000 CPM Shares relates to the same block of 750,000,000 CPM Shares beneficially interested by CNT Enterprises Limited.

CNT Enterprises Limited was a wholly-owned subsidiary of CNT. CNT was deemed under the SFO to be interested in these 750,000,000 CPM Shares which were owned by CNT Enterprises Limited.

- Prime Surplus, a company wholly-owned by Mr. Tsui, is interested in 50.18% of the total issued share capital of CNT. Prime Surplus was deemed under the SFO to be interested in these 750,000,000 CPM Shares which were owned by CNT Enterprises Limited.

As of the Latest Practicable Date, save as disclosed above, the CPM Directors and the chief executive of CPM were not aware of any other persons or entities (other than the CPM Directors or chief executives of CPM) who had interests or short position in the CPM Shares and underlying shares of CPM which would fall to be disclosed to CPM under the provisions of Divisions 2 and 3 of Part XV of the SFO as recorded in the register required to be kept by CPM, pursuant to Section 336 of the SFO.

5. INTERESTS AND DEALINGS IN CPM AND THE OFFERORS AND ARRANGEMENTS IN CONNECTION WITH THE CPM OFFERS

During the Relevant Period, (i) none of the CPM Directors had dealt for value in any CPM Shares, options, derivatives, warrants or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of CPM; and (ii) save for Mr. Tsui being the sole shareholder and sole director of Prime Surplus, none of the CPM Directors had dealt for value in any shares of the Offerors or any convertible securities, warrants, options or derivatives in respect of shares of the Offerors.

As of the Latest Practicable Date,

- save as disclosed in the paragraphs under “4. DISCLOSURE OF INTERESTS – (a) Interests of the CPM Directors and chief executive” in this Appendix, none of the CPM Directors had any interest in the CPM Shares, derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into the CPM Shares;

- (ii) CPM had no shareholding in the Offerors or any convertible securities, warrants, options or derivatives in respect of shares of the Offerors;
- (iii) save for Mr. Tsui being the sole shareholder and sole director of Prime Surplus, none of the CPM Directors was interested in any shares of the Offerors or any convertible securities, warrants, options or derivatives in respect of shares of the Offerors;
- (iv) none of the subsidiaries of CPM, pension funds of CPM or of any member of the CPM Group, or any person who is presumed to be acting in concert with CPM by virtue of class (5) of the definition of “acting in concert” under the Takeovers Code or who is an associate of CPM by virtue of class (2) of the definition of “associate” under the Takeovers Code (but excluding exempt principal traders and exempt fund managers), owned or controlled any CPM Shares or any convertible securities, warrants, options or derivatives in respect of the CPM Shares and none of them had dealt for value in any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in CPM during the CPM Offer Period up to the Latest Practicable Date;
- (v) no person had any arrangement of the kind referred to in Note 8 to Rule 22 of the Takeovers Code with CPM or with any person who is presumed to be acting in concert with CPM by virtue of classes (1), (2), (3) and (5) of the definition of “acting in concert” under the Takeovers Code or who is an associate of CPM by virtue of classes (2), (3) and (4) of the definition of “associate” under the Takeovers Code and none of them had dealt for value in any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) during the CPM Offer Period up to the Latest Practicable Date;
- (vi) no fund manager (other than exempt fund managers) connected with CPM had managed any CPM Shares or any convertible securities, warrants, options or derivatives in respect of any CPM Shares on a discretionary basis, and no such person had dealt for value in any CPM Shares or any securities, convertible securities, warrants, options or derivatives in respect of any CPM Shares or securities of CPM during the CPM Offer Period up to the Latest Practicable Date;
- (vii) neither CPM nor any of the CPM Directors had borrowed or lent any CPM Shares or any convertible securities, warrants, options or derivatives in respect of the CPM Shares, save for any borrowed CPM Shares which have been either on-lent or sold;
- (viii) there was no agreement, arrangement, understanding or a special deal between (1) any CPM Shareholder on the one hand; and (2) CPM, its subsidiaries or associated companies on the other hand; and
- (ix) none of the CPM Directors had irrevocably committed himself/herself to accept or reject the CPM Offers. Mr. Li Guangzhong, the executive CPM Director holding 10,000,000 CPM Share Options, has indicated his intention not to accept the CPM Option Offer.

6. ARRANGEMENTS AFFECTING CPM DIRECTORS

As of the Latest Practicable Date:

- (i) no arrangement was in place for any benefit (other than statutory compensation) to be given to any CPM Directors as compensation for loss of office or otherwise in connection with the CPM Offers;
- (ii) there was no agreement or arrangement between any CPM Directors and any other person which was conditional on or dependent upon the outcome of the CPM Offers or is otherwise connected with the CPM Offers; and
- (iii) there was no material contract entered into by the Offerors in which any CPM Director had a material personal interest.

7. DIRECTORS' SERVICE CONTRACTS

As of the Latest Practicable Date, none of the CPM Directors had any service contracts with any members of the CPM Group or the associated companies of CPM in force which:

- (i) (including both continuous and fixed term contracts) had been entered into or amended within six months prior to the commencement of the CPM Offer Period;
- (ii) were continuous contracts with a notice period of 12 months or more; or
- (iii) were fixed term contracts with more than 12 months to run irrespective of the notice period.

8. QUALIFICATIONS AND CONSENTS OF THE EXPERTS

The following are the qualifications of the experts who have given its report, opinion, advice and/or names are contained or referred to in this Composite Document:

Name	Qualifications
Ample Capital Limited	a licensed corporation under the SFO to carry on Type 6 (advising on corporate finance) regulated activity under the SFO
Innovax Capital Limited	a licensed corporation under the SFO to carry on Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
BMI Appraisals Limited	Independent property valuer

The experts have given and not withdrawn its written consent to the issue of this Composite Document with the inclusion herein of its letter, opinions and advice and references to its name, logo and/or qualifications in the form and context in which they respectively appear.

9. LITIGATION

As of the Latest Practicable Date, none of CPM and its subsidiaries was engaged in any litigation or arbitration or claim of material importance and no litigation or claim of material importance was pending or threatened by or against CPM or any members of the CPM Group.

10. MATERIAL CONTRACT

None of the members of the CPM Group had entered into any material contracts (being a contract not entered into in the ordinary course of business carried or intended to be carried on by any member of the CPM Group) within two years before the commencement of the CPM Offer Period up to and including the Latest Practicable Date.

11. MISCELLANEOUS

- (i) The registered office of CPM was Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands.
- (ii) The principal place of business of CPM was 31st Floor, CNT Tower, 338 Hennessy Road, Wanchai, Hong Kong.
- (iii) The branch share registrar and transfer office of CPM in Hong Kong was Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (iv) The registered address of Ample Capital Limited was Room 903, 9/F., Far East Consortium Building, 121 Des Voeux Road Central, Central, Hong Kong.
- (v) In the event of inconsistency, the English texts of this Composite Document and the accompanying Forms of Acceptance shall prevail over their respective Chinese texts.

12. DOCUMENTS ON DISPLAY

The following documents are available for inspection (i) on the website of the SFC (www.sfc.hk); and (ii) on the website of CPM (www.cpmgroup.com.hk) during the period from the date of this Composite Document up to and including the Closing Date:

- (i) the memorandum and articles of association of CPM;

- (ii) the annual reports of CPM for the year ended 31 December 2023, 31 December 2024 and 31 December 2025;
- (iii) the letter from the CPM Board, the text of which is set forth on pages 18 to 24 of this Composite Document;
- (iv) the letter from the Independent CPM Board Committee, the text of which is set forth on pages 25 to 27 of this Composite Document;
- (v) the letter from the Independent CPM Financial Adviser, the text of which is set forth on pages 28 to 54 of this Composite Document;
- (vi) the property valuation report referred to in Appendix III to this Composite Document;
- (vii) the written consents as referred to in the section headed “8. QUALIFICATIONS AND CONSENTS OF THE EXPERTS” in this Appendix V; and
- (viii) this Composite Document and the accompanying Forms of Acceptance.