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KML Technology Group Limited

高萌科技集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8065)

GRANT OF OPTIONS UNDER SHARE OPTION SCHEME

This announcement is made pursuant to rule 23.06A of the Rules Governing the Listing of Securities on GEM (the “**GEM Listing Rules**”) of the Stock Exchange.

The board (the “**Board**”) of directors (the “**Director(s)**”) of KML Technology Group Limited (the “**Company**”) announces that on 18 April 2023 (the “**Date of Grant**”), the Company granted 9,000,000 share options (“**Options**”) to certain eligible participants (the “**Grantee(s)**”), subject to acceptance by the Grantees, to subscribe for ordinary shares with nominal value of HK\$0.01 each of the Company (“**Share(s)**”) under the Company’s share option scheme adopted on 20 September 2017 (“**Share Option Scheme**”). A summary of the terms of the Options granted is set forth below:-

- Date of grant : 18 April 2023
- Number of Options granted : 9,000,000
- Exercise price of the Options granted : HK\$0.171 per Share, which is not less than the highest of:
- (i) the closing price of HK\$0.166 per Share as stated in the Stock Exchange’s daily quotations sheet on the Date of Grant; and
 - (ii) an amount equivalent to the average closing price of HK\$0.171 per Share as stated in the Stock Exchange’s daily quotation sheets for the 5 business days immediately preceding the Date of Grant.
- Closing price of the Shares on date of grant : HK\$0.166 per Share
- Exercise period of the Options : The period of 5 years from the Date of Grant to 17 April 2028 (both days inclusive)

- Vesting period of the Options : The Options granted shall be vested to the Grantees in the following manner:
- (i) No option can be exercised during any period up the first 365 days immediately after the Date of Grant;
 - (ii) 50% Options granted can be exercisable commencing from 366 days and before the expiry of 5 years from the Date of Grant; and
 - (iii) Remaining 50% Options granted can be exercisable commencing from 546 days and before the expiry of 5 years from the Date of Grant.
- Performance targets : There is no performance target attached to the Options granted.
- The purpose of the Share Option Scheme is to recognise and acknowledge the contributions that the eligible participants have made or may make to the Company and its subsidiaries (the “**Group**”), and to motivate the eligible participants to optimise their performance and efficiency for the benefit of the Group, as well as, to attract and retain the eligible participants whose contributions are, will or are expected to be beneficial to the Group. The number of Options to be granted is based on the work performance and potential contributions of the Grantees and no additional performance target is imposed before the Options are vested to the Grantees. In view of the above, the remuneration committee of the Company considered the grant of Options aligned with the purpose of the Share Option Scheme.
- Clawback/lapse mechanism : Where a grantee’s service or employment with the Group has been terminated by the Group by reason of, among others, guilty of serious misconduct or has been convicted of any criminal offence involving his integrity or honesty, the grantee will cease to be an eligible person and the Options granted will automatically lapse.
- Financial assistance : The Group has not provided any financial assistance to the Grantees to facilitate the purchase of Shares under the Share Option Scheme.

Among the total of 9,000,000 Options granted, 1,000,000 Options were granted to 1 Director, and 400,000 Options were granted to 1 director of a subsidiary of the Company, who is also an associate to a Director and company secretary of the Company (“**Company Secretary**”). The remaining 7,600,000 Options were

granted to employees of the Group.

Details of the Options granted to the above Grantees are as follows:

| Name of Grantee | Position | Number of Options granted |
|------------------------|---|----------------------------------|
| Chan Chak Lun Philip | Director and Chief executive officer | 1,000,000 |
| Woo Siu Wai | Director of KML Engineering Limited and Company Secretary | 400,000 |
| Other employees | - | 7,600,000 |

The grant of the Options by the Company to the above Grantees has been reviewed and approved by the independent non-executive Directors in accordance with Rule 23.04(1) of the GEM Listing Rules.

After the grant of the Options, a total of 12,000,000 Shares will be available for future grant pursuant to the Share Options Scheme.

Save as disclosed above, to the best knowledge of the Directors, none of other Grantees is (i) a Director, chief executive or substantial shareholder (as defined under the GEM Listing Rules) of the Company or any of their respective associate(s) (as defined under the GEM Listing Rules); (ii) a participant with options and awards granted and to be granted exceeding the 1% individual limit under the GEM Listing Rules; or (iii) a related entity participant or a service provider (as defined under the GEM Listing Rules) with options and awards granted and to be granted in any 12-month period exceeding 0.1% of the total issued Shares, as at the date of this announcement.

By order of the Board
KML Technology Group Limited
Luk Kam Ming
Chairman and Executive Director

Hong Kong, 18 April 2023

As at the date of this announcement, the executive Directors are Mr. LUK Kam Ming, Mr. CHAN Chak Lun Philip, Mr. LUK Kwai Lung and Mr. LUK Yin Cheung; and the independent non-executive Directors are Mr. LAU On Kwok, Mr. LAW Wing Chi Stephen, Dr. TSE Chi Kong and Mr. Yu Wing Lok Garry.

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

This announcement will remain on the “Latest Listed Company Information” page of the Stock Exchange’s website at www.hkexnews.hk for a minimum period of 7 days from the date of publication and the Company’s website at www.kml.com.hk.