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SPT Energy Group Inc.

華油能源集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1251)

GRANT OF SHARE OPTIONS

This announcement is made pursuant to rules 17.06A, 17.06B and 17.06C of the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The board of directors (the “**Board**”) of SPT Energy Group Inc. (the “**Company**”, together with its subsidiaries, the “**Group**”) hereby announces that on 31 March 2023, the Company granted a total of 185,300,000 share options (the “**Share Options**”) to eligible grantees (the “**Grantees**”), subject to acceptance of the Grantees, to subscribe for a total of 185,300,000 ordinary shares of US\$0.0001 each of the Company (the “**Shares**”) under the share option scheme of the Company adopted on 10 June 2021 (the “**Share Option Scheme**”). Details of the Share Options granted are as follows:

Date of grant	31 March 2023
Exercise price of the Share Options granted	HK\$0.250 per Share, being the higher of: (i) the closing price HK\$0.250 per Share as stated in the Stock Exchange’s daily quotations sheet on the date of grant; and (ii) the average closing price of HK\$0.2472 per Share as stated in the Stock Exchange’s daily quotations sheets for the five business days immediately preceding the date of grant
Number of Share Options granted	185,300,000
Closing price of the Shares on the date of grant	HK\$0.250 per Share
Exercise period of the Share Options	The option period of the Share Options shall be ten years from the date of grant (the “ Option Period ”) and the Share Options shall lapse at the expiry of the Option Period.

Vesting period of the Share Options

The Share Options shall be vested in three tranches:

- (a) one-third shall be vested on the first anniversary of the date of grant and be exercisable at any time during the period from the first anniversary of the date of grant to the end of the Option Period;
- (b) one-third shall be vested on the second anniversary of the date of grant and be exercisable at any time during the period from the second anniversary of the date of grant to the end of the Option Period; and
- (c) the balance shall be vested on the third anniversary of the date of grant and be exercisable at any time during the period from the third anniversary of the date of grant to the end of the Option Period.

Performance target and clawback mechanism

There is no performance target and clawback mechanism for the Share Options.

The remuneration committee of the Board (the “**Remuneration Committee**”) is aware that the purpose of the Share Option Scheme is to incentivize or reward the Grantees for their contributions to the Group and the Share Option Scheme does not place strict restrictions on relevant contributions. The Remuneration Committee has also considered the following factors:

(a) the remuneration of the Grantees (including the directors of the Company (the “**Directors**”)) includes the grant of Share Options to incentivize their work performance and continuous contributions to the growth and development of the Group in accordance with the remuneration practice of the Group; (b) the remuneration package of each of the Director has been reviewed to align with the industry practice and their leadership roles served and responsibilities assumed in respect of the management and strategic development of the Company were recognized by the Remuneration Committee; and (c) in view of the above, the Remuneration Committee considers that without attaching any performance target to the Share Options is market-competitive and could align with the purpose of the Share Option Scheme. The grant of Share Options may enable the alignment of the interests of the Grantees with the interests of the Company and shareholders, incentivize the Grantees to commit themselves to the sustainable competitiveness, operating performance and growth of the Company in the future, and strengthen their commitments of long-term service to the Company.

The Share Options are subject to certain vesting conditions and the terms of the Share Option Scheme, which provided for the circumstance which the Share Options shall lapse if the Grantees cease to be an employee of the Group. The Remuneration Committee and the Board consider that it is not necessary to have additional clawback mechanism.

Number of Shares available
for future grants

Upon the grant of Share Options, the number of Shares available for future grants under the Share Option Scheme is 77,599 Shares.

Financial assistance

The Group did not provide any financial assistance to the Grantees to facilitate their purchase of Shares under the Share Option Scheme.

Among the Share Options granted above, a total of 4,000,000 Share Options were granted to the Directors, chief executives and/or substantial shareholders of the Company, details of which are as follows:

Name	Position held in the Company	No. of Share Options granted
Wang Guoqiang	Executive Director and Chairman of the Board	500,000
Ethan Wu	Executive Director and Chief Executive Officer	500,000
Li Qiang	Executive Director and Chief Financial Officer	500,000
Wu Jiwei	Non-executive Director	500,000
Chen Chunhua	Non-executive Director	500,000
Zhang Yujuan	Independent Non-executive Director	500,000
Wu Kwok Keung Andrew	Independent Non-executive Director	500,000
Ma Xiaohu	Independent Non-executive Director	500,000

Note: Mr. Wang Guoqiang and Mr. Ethan Wu are also substantial shareholders of the Company.

The grant of Share Options to the above Directors, chief executives and/or substantial shareholders of the Company has been approved by the independent non-executive Directors in accordance with Rule 17.04(1) of the Listing Rules, save that each of the independent non-executive Director has abstained from voting the resolutions relating to the grant of Share Options to himself/herself. The remaining 181,300,000 Share Options are granted to employees of the Group.

Save as disclosed above, to the best of the Directors' knowledge, information and belief after having made all reasonable enquiries: as at the date of this announcement, (i) none of the Grantee is a Director, chief executive or substantial shareholder of the Company or an associate (as defined under the Listing Rules) of any of them; (ii) none of the Grantee is a participant with Share Options and awards granted and to be granted in any 12-month period exceeding the 1% individual limit under the Listing Rules; and (iii) none of the Grantee is a related entity participant or service provider (as defined under the Listing Rules).

By order of the Board
SPT Energy Group Inc.
Mr. Wang Guoqiang
Chairman

Hong Kong, 31 March 2023

As of the date of this announcement, the executive Directors are Mr. Wang Guoqiang, Mr. Ethan Wu and Mr. Li Qiang; the non-executive Directors are Mr. Wu Jiwei and Ms. Chen Chunhua; and the independent non-executive Directors are Ms. Zhang Yujuan, Mr. Wu Kwok Keung Andrew and Mr. Ma Xiaohu.

* *For identification purpose only*