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大同機械企業有限公司  
**COSMOS MACHINERY ENTERPRISES LIMITED**  
*(Incorporated in Hong Kong with limited liability)*  
**(Stock Code: 118)**

## **GRANT OF SHARE OPTIONS**

This announcement is made pursuant to Rule 17.06A of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

The board of directors (the “Board”) of Cosmos Machinery Enterprises Limited (the “Company”) announces that on 24th May, 2010, the Company has granted 21,000,000 share options (the “Options”) to individuals (the “Grantees”), subject to acceptance of the Grantees, under the share option scheme adopted on 30th May, 2005 (the “Share Option Scheme”). The Options shall entitle the Grantees to subscribe for a total of 21,000,000 new shares of HK\$0.4 each in the capital of the Company (the “Shares”). A summary of such grant is set out below:–

Date of grant:	24th May, 2010
Exercise price of the Options granted:	HK\$0.66 per Share
Number of the Options granted:	21,000,000
Closing price of the Shares of the Company on the Date of grant:	HK\$0.62 per Share
Validity period of the Options:	The option period of the Options shall be three years commencing on the date upon which the Options are deemed to be granted and accepted in accordance with the Share Option Scheme and expiring on the last day of such three years period

Among the 21,000,000 Options granted, 6,000,000 Options were granted to Mr. Wong Yiu Ming, the Chief Executive Officer of the Company. Such grant was approved by the independent non-executive directors of the Company.

By order of the Board  
**Cosmos Machinery Enterprises Limited**  
**TANG To**  
*Chairman*

Hong Kong, 24th May, 2010

*As at the date hereof, the Board comprises of ten directors, of which three are executive directors, namely Mr. Tang To, Mr. Jiang Wei and Mr. Wong Yiu Ming, four are non-executive directors, namely Mr. Tang Kwan, Mr. Wu Ding, Mr. Kan Wai Wah and Mr. Qu Jinping and three are independent non-executive directors, namely Mr. Yip Jeffery, Ms. Yeung Shuk Fan and Mr. Cheng Tak Yin.*