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20 years, young HC!

HC INTERNATIONAL, INC.

慧聪网有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 02280)

PROPOSED GRANT OF SHARE OPTIONS

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

On 13 October 2017, the board of directors (the “**Board**”) of HC International, Inc. (the “**Company**”) resolved to conditionally grant 29,930,000 share options (the “**Options**”) under the Company’s share option scheme adopted on 22 May 2015 (the “**Share Option Scheme**”) to Mr. Liu Jun (“**Mr. Liu**”), an executive director of the Company (“**Directors**”), entitling him to subscribe for 29,930,000 ordinary shares of HK\$0.1 each (“**Shares**”, each a “**Share**”) in the share capital of the Company, subject to the independent shareholders’ approval. Details of such grant are set out below:

Offer Date	13 October 2017
Number of the Options	29,930,000 Options, each Option shall entitle Mr. Liu to subscribe for one Share
Consideration for the Grant	Upon acceptance of the Options, Mr. Liu shall pay HK\$1 to the Company as consideration for the grant of Options
Exercise price of Options granted	HK\$6.476 per Share, representing the highest of: (i) The closing price of HK\$6.30 per Share as stated in the Stock Exchange’s daily quotation sheets on the Offer Date; (ii) The average closing price of HK\$6.476 per Share as stated in the Stock Exchange’s daily quotation sheets for the last five trading days immediately preceding the Offer Date; and

(iii) The nominal value of HK\$0.1 per Share.

Validity period of the Options 10 years, from the Offer Date up to 12 October 2027, both dates inclusive, subject to the following vesting schedules

Vesting period of Options The Options granted shall be vested and exercisable subject to the following vesting periods and conditions:

	Percentage of Shares comprised in the Option which is vested and exercisable
Date when the Options become exercisable	
First anniversary date of the Offer Date	20%
Second anniversary date of the Offer Date	20%
Third anniversary date of the Offer Date	20%
Fourth anniversary date of the Offer Date	20%
Fifth anniversary date of the Offer Date	20%

Performance Target 50% of the Options granted can only be exercised if the performance target for the relevant financial year set out by the Company are met. If Mr. Liu fails to meet 100% of the performance target, the number of Options exercisable in the relevant period will be calculated in proportion to the percentage of the performance target achieved in the relevant financial year. Mr. Liu will be entitled to exercise the remaining 50% of the Options in full according to the above vesting schedule if he is still under employment of the Group.

As at the date of this announcement, Mr. Liu is an executive Director and is personally interested in approximately 4.405% of the issued share capital of the Company. The grant of the Options to Mr. Liu has been approved by the independent non-executive Directors pursuant to Rule 17.04(1) of the Listing Rules. Mr. Liu has abstained from voting in the board meeting in respect of the resolution approving the grant of Options. The grant of the Options has also been reviewed and approved by the Remuneration Committee of the Company.

The total of 29,930,000 Shares to be subscribed under the Options represent approximately 3% of the existing issued share capital of the Company as at the Offer Date and approximately 2.913% of the enlarged issued share capital of the Company, assuming the Options are fully exercised. As the total number of Shares to be issued upon exercise of the Options offered to be granted to Mr. Liu exceeds 1% of the Shares in issue, pursuant to Rule 17.03(4) of the Listing Rules, the grant of Options to Mr. Liu must be approved by independent shareholders of the Company (“**Shareholders**”) at an extraordinary general meeting (the “**EGM**”) with Mr. Liu and his associates (as defined in the Listing Rules) abstaining from voting on the relevant resolution in respect of the grant of Options.

An independent board committee consisting of all three independent non-executive Directors will be formed to advise the independent Shareholders on the grant of Options to Mr. Liu.

The circular containing, among other things, (i) the letter from the Board containing further details of the grants of the Options; (ii) a letter of advice from the independent board committee of the Company and (iii) the notice of the EGM will be despatched to the Shareholders as soon as practicable.

By order of the Board
HC INTERNATIONAL, INC.

Guo Jiang
Chief Executive Officer and Executive Director

Beijing, the People's Republic of China, 13 October 2017

* *for identification purpose only.*

As at the date of this announcement, the Board comprises:

Mr. Guo Fansheng (*Executive Director and Chairman*)
Mr. Guo Jiang (*Executive Director and Chief Executive Officer*)
Mr. Lee Wee Ong (*Executive Director and Chief Financial Officer*)
Mr. Liu Jun (*Executive Director*)
Mr. Li Jianguang (*Non-executive Director*)
Mr. Wong Chi Keung (*Non-executive Director*)
Mr. Zhang Ke (*Independent non-executive Director*)
Mr. Zhang Tim Tianwei (*Independent non-executive Director*)
Mr. Tang Jie (*Independent non-executive Director*)