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Tiangong International Company Limited

天工國際有限公司*

(incorporated in the Cayman Islands with limited liability)
(Stock Code: 826)

GRANTING 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 “Listing Rules”).

The board (“Board”) of directors (the “Directors”) of Tiangong International Company Limited (the “Company”) announces that the Company has granted an aggregate of 60,000,000 share options (“Share Options”) to the Directors, employees and consultants of the Company (collectively, the “Grantees”), subject to acceptance by the Grantees and pursuant to the share option scheme adopted on 26 May 2017 (the “Share Option Scheme”). The Grantees are entitled to subscribe for ordinary shares of US\$0.0025 each in the capital of the Company (“Shares”), representing approximately 2.68% of the 2,239,050,000 Shares in issue on 11 January 2018 (the “Date of Grant”). The following are the details of the Share Options granted:-

Each Share Option shall entitle the holder of the Share Option to subscribe for one Share upon exercise of such Share Option at an exercise price of HK\$1.50 per Share, which is the highest of (1) the nominal value of a Share; (2) the closing price of HK\$1.29 per Share as stated in the daily quotation sheets issued by The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) on the Date of Grant; and (3) the average closing price of HK\$1.268 per Share as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the Date of Grant.

The Share Options granted shall vest in the proposed Grantees in accordance with the timetable below, each with an exercise period commencing from the relevant Vesting Date and ending on

31 December of the same year as the Vesting Date (for this purpose, the date or each such date on which the Share Options are to vest being hereinafter referred to as a “Vesting Date”):

Vesting Date	Percentage of Share Options
If the consolidated audited net profit of the Company for the year ending 31 December 2018 represents an increase of 50% or more as compared to that of the year ended 31 December 2017, the Vesting Date will be 31 March 2019.	50% of the total number of Share Options granted
If the consolidated audited net profit of the Company for the year ending 31 December 2019 represents an increase of 50% or more as compared to that of the year ended 31 December 2018, the Vesting Date will be 31 March 2020.	50% of the total number of Share Options granted

The exercise of the Share Options is also conditional upon the achievement of certain performance targets during the exercise period of the Share Options as set out for each Grantee. Pursuant to the Listing Rules and the rules of the Share Option Scheme, the Board reserves its rights to specify appropriate performance targets and conditions that must be achieved before the exercise of the Share Options for each of the individual Grantees at its absolute discretion.

Among the total of 60,000,000 Shares under the Share Options granted, 4,100,000 Shares were granted to certain directors of the Company and 1,000,000 Shares were granted to a substantial shareholder of the Company as follows:

Name of Grantee	Position	No. of Shares under the Share Options granted
Wu Suojun	Executive Director and Chief Executive Officer	1,600,000
Yan Ronghua	Executive Director	1,000,000
Jiang Guangqing	Executive Director	600,000
Gao Xiang	Independent non-executive Directors	300,000
Lee Cheuk Yin, Dannis	Independent non-executive Directors	300,000
Wang Xuesong	Independent non-executive Directors	300,000
Zhu Zefeng	Chief Investment Officer ¹	1,000,000
	Total:	5,100,000

Note (1): Mr. Zhu Zefeng is the beneficial owner of a substantial shareholder of the Company,

Save as disclosed above, none of the other Grantees is a director, chief executive or substantial shareholder of the Company or any of their respective associates (as defined under the Listing Rules).

By Order of the Board
Tiangong International Company Limited
Zhu Xiaokun
Chairman

Hong Kong, 11 January 2018

As at the date of this announcement, the directors of the Company are:

Executive Directors: ZHU Xiaokun, WU Suojun, YAN Ronghua and JIANG Guangqing

Independent non-executive Directors: GAO Xiang, LEE Cheuk Yin, Dannis, WANG Xuesong

** For identification purpose only*