

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



HC GROUP INC.

慧聪集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 02280)

GRANT OF 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**”).

The board of directors (the “**Board**”) of HC Group Inc. (the “**Company**”) hereby announces that on 20 June 2019 (the “**Date of Grant**”), 10,000,000 share options (the “**Options**”) to subscribe for the ordinary shares of HK\$0.10 each in the share capital of the Company (the “**Share(s)**”) were granted to Mr. Zhang Yonghong (“**Mr. Zhang**”), the executive director and chief executive officer of the Company under the Company’s share option scheme adopted on 22 May 2015 (the “**Share Option Scheme**”), subject to the acceptance of Mr. Zhang.

Details of the Options granted are set out below:

Date of Grant:

20 June 2019

Number of the Options

10,000,000

Exercise price of Options granted

Each Option shall entitle the holder of the Option to subscribe for one Share upon exercise of such Option at an exercise price of HK\$4.6 per Share, which is higher than (1) HK\$0.10, the nominal value of a Share; (2) the closing price of HK\$3.38 per Share as stated in the daily quotation sheets issued by the Stock Exchange on the Date of Grant; and (3) the average closing price of HK\$3.226 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.

Validity period of the Options

10 years, from the Date of Grant up to 19 June 2029, both dates inclusive, subject to the following vesting schedules and conditions

Vesting periods and vesting conditions of the Options

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

	Date when the Options become exercisable	Percentage of Shares comprised in the Option which is vested and exercisable (subject to fulfillment of vesting conditions set out in the next column) <i>(Note)</i>	Condition 1	Condition 2
First tranche of Options	First anniversary date of the Date of Grant (the “ First Anniversary Date ”)	33.3%	The performance target of the Company for the year 2019 is achieved	Mr. Zhang shall remain as an employee of the Group as at the First Anniversary Date
Second tranche of Options	Second anniversary date of the Date of Grant (the “ Second Anniversary Date ”)	33.3%	The performance target of the Company for the year 2020 is achieved	Mr. Zhang shall remain as an employee of the Group as at the Second Anniversary Date
Third tranche of Options	Third anniversary date of the Date of Grant (the “ Third Anniversary Date ”)	33.4%	The performance target of the Company for the year 2021 is achieved	Mr. Zhang shall remain as an employee of the Group as at the Third Anniversary Date

Note: 50% of the respective tranche of Options in each vesting period are exercisable only if Condition 1 and Condition 2 set out above are fully achieved. The remaining 50% of the respective tranche of Options in each vesting period are exercisable if Condition 2 is fulfilled.

If the performance targets set out in Condition 1 above cannot be fully achieved, the number of Options exercisable in the respective vesting period will be further adjusted in the following manner:

Percentage of performance targets achieved	Percentage of the Options becoming exercisable
100%	100%
70%-99%	Proportionate to the percentage of performance targets actually achieved
Less than 70%	Nil

Consideration for the grant of Options

HK\$1.00 to be paid by Mr. Zhang upon the acceptance of the Options granted.

The grant of Options to Mr. Zhang has been approved by the independent non-executive directors of the Company in compliance with Rule 17.04(1) the Listing Rules, and would not result in the Shares issued and to be issued upon exercise of all Options granted to Mr. Zhang (including exercised and outstanding) in the 12-month period up to and including the Date of Grant representing in aggregate over 1% of the Shares in issue.

By order of the Board
HC Group Inc.
Liu Jun
Chairman

Beijing, the People's Republic of China, 20 June 2019

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

Mr. Liu Jun (Executive Director and Chairman)
Mr. Zhang Yonghong (Executive Director and Chief Executive Officer)
Mr. Liu Xiaodong (Executive Director and President)
Mr. Guo Fansheng (Non-executive Director)
Mr. Li Jianguang (Non-executive Director)
Mr. Sun Yang (Non-executive Director)
Mr. Zhang Ke (Independent non-executive Director)
Mr. Zhang Tim Tianwei (Independent non-executive Director)
Ms. Qi Yan (Independent non-executive Director)