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OCI International Holdings Limited

東建國際控股有限公司

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 329)

PROPOSED GRANT OF SHARE OPTIONS UNDER THE SHARE OPTION SCHEME

This announcement is made by OCI International Holdings Limited (the “**Company**”) 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 PROPOSED GRANT

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that it has proposed to grant (the “**Proposed Grant**”) in aggregate 105,000,000 share options (the “**Share Options**”) to two Directors (each a “**Grantee**”, and collectively, the “**Grantees**”) under the share option scheme adopted by the Company on 17 December 2012 (the “**Share Option Scheme**”), subject to acceptance of the Grantees. Among the Share Options granted, 55,000,000 Share Options are proposed to be granted to Mr. Wu Guangze (“**Mr. Wu**”), an executive Director and chief executive officer of the Company, and 50,000,000 Share Options are proposed to be granted to Mr. Wei Bin (“**Mr. Wei**”), an executive Director.

The Share Options will entitle the Grantees to subscribe for up to a total of 105,000,000 ordinary shares in the Company (the “**Shares**”), which represent (i) approximately 7.00% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 6.54% of the enlarged issued share capital of the Company, assuming that all the Share Options are fully exercised.

Details of the Proposed Grant are set out below:

Date of the grant	: 7 June 2021 (the “ Date of Grant ”)
Number of Share Options granted	: 105,000,000 (each Share Option shall entitle the holder thereof to subscribe for one Share)
Exercise price of the Share Options	: HK\$4.53 per Share, which is the highest of: <ul style="list-style-type: none">(i) HK\$3.00;(ii) the closing price of HK\$4.53 per Share as stated in the Stock Exchange’s daily quotation sheet on the Date of Grant; and(iii) the average closing price of HK\$3.944 per Share as stated in the Stock Exchange’s daily quotation sheet for the five business days immediately preceding the Date of Grant
Consideration for Share Options	: HK\$1.00 to be paid by each Grantee upon acceptance of the grant of the Share Options
Validity period of the Share Options	: from the date of obtaining approval by independent shareholders of the Company (the “ Shareholders ”) to 6 June 2031 (both dates inclusive)
Vesting conditions and Performance Targets	: Share Options of each Grantee will be vested in five equal tranches (being 11,000,000 Share Options per tranche for Mr. Wu and 10,000,000 Share Options per tranche for Mr. Wei) in accordance with the vesting schedule of the Share Options, subject to the fulfilment of certain performance targets relating to the Company (the “ Performance Targets ”).

Tranches	Performance Targets
First tranche	<p>(i) For the year ending 31 December 2021, the Company records a net profit (after deducting minority interests and non-recurring gains and losses) and there is no occurrence of events that would have a material adverse effect on the Company's operations and listing status; and</p> <p>(ii) the audited net assets of the Company as at 31 December 2021 is not less than HK\$495,004,000.</p>
Second tranche	<p>(i) For the year ending 31 December 2022, the Company records a net profit (after deducting minority interests and non-recurring gains and losses) and there is no occurrence of events that would have a material adverse effect on the Company's operations and listing status; and</p> <p>(ii) the audited net assets of the Company as at 31 December 2022 is not less than HK\$594,005,000.</p>

Tranches	Performance Targets
Third tranche	<p>(i) For the year ending 31 December 2023, the Company records a net profit (after deducting minority interests and non-recurring gains and losses) and there is no occurrence of events that would have a material adverse effect on the Company's operations and listing status; and</p> <p>(ii) the audited net assets of the Company as at 31 December 2023 is not less than HK\$712,806,000.</p>
Fourth tranche	<p>(i) For the year ending 31 December 2024, the Company records a net profit (after deducting minority interests and non-recurring gains and losses) and there is no occurrence of events that would have a material adverse effect on the Company's operations and listing status; and</p> <p>(ii) the audited net assets of the Company as at 31 December 2024 is not less than HK\$855,367,000.</p>

Tranches	Performance Targets
Fifth tranche	<p>(i) For the year ending 31 December 2025, the Company records a net profit (after deducting minority interests and non-recurring gains and losses) and there is no occurrence of events that would have a material adverse effect on the Company's operations and listing status; and</p> <p>(ii) the audited net assets of the Company as at 31 December 2025 is not less than HK\$1,026,440,000.</p>

If the vesting conditions are not met for any financial year, the corresponding tranche of Share Options will automatically lapse.

Vesting schedule of the Share Options : Subject to the fulfilment of the Performance Targets, each Grantee's Share Options shall be vested in five equal tranches (a tranche being 11,000,000 Share Options for Mr. Wu and 10,000,000 Share Options for Mr. Wei) as follows:

- (i) the first tranche shall be vested on 1 April 2022;
- (ii) the second tranche shall be vested on 1 April 2023;
- (iii) the third tranche shall be vested on 1 April 2024;
- (iv) the fourth tranche shall be vested on 1 April 2025;
and
- (v) the fifth tranche shall be vested on 1 April 2026.

- Exercise period of the Share Options** : Subject to the fulfilment of Performance Targets, for each Grantee:
- (i) the first tranche is exercisable commencing from 1 April 2022 to 31 March 2028;
 - (ii) the second tranche is exercisable commencing from 1 April 2023 to 31 March 2029;
 - (iii) the third tranche is exercisable commencing from 1 April 2024 to 31 March 2030;
 - (iv) the fourth tranche is exercisable commencing from 1 April 2025 to 31 March 2031;
 - (v) the fifth tranche is exercisable commencing from 1 April 2026 to 6 June 2031.
- Lock-up period** : Shares issued upon exercise of the relevant Share Options are subject to a lock-up period of 12 months from the date of the relevant Share Options becoming exercisable.
- Rights of Shares to be issued upon exercise of the Share Options** : The Shares to be allotted upon the exercise of the Share Options shall be subject to all the provisions of the memorandum of association and articles of association of the Company for the time being in force and shall rank *pari passu* in all respects with the existing fully paid Shares in issue on the date on which those Shares are allotted on exercise of the Share Options and accordingly shall entitle the holders to participate in all dividends or other distributions paid or made after the date on which the Shares are allotted other than any dividends or distributions previously declared or recommended or resolved to be paid or made if the record date thereof shall be on or before the date on which the Shares are allotted.
- The Share Options themselves, however, do not carry any right to vote in general meeting of the Company, or any right to dividend, transfer or any other rights, including those arising on the liquidation of the Company.

LISTING RULES IMPLICATIONS

In accordance with Rule 17.04(1) of the Listing Rules and the terms of the Share Option Scheme, the Proposed Grant has been approved by the independent non-executive Directors.

Pursuant to the note to Rule 17.03(4) of the Listing Rules and the terms of the Share Option Scheme, where the total number of Shares issued and to be issued upon exercise of the Share Options granted to a person (including both exercised and outstanding Share Options) in any 12-month period exceed 1% of the relevant class of Shares in issue, such grant must be approved by the Shareholders in general meeting. The grantee and his associates must abstain from voting at the general meeting.

In addition, pursuant to Rule 17.04(1) of the Listing Rules and the terms of the Share Option Scheme, any grant of Share Options to a substantial Shareholder of the Company would result in the Shares issued and to be issued upon exercise of all Share Options already granted and to be granted (including Options exercised, cancelled and outstanding) under the Share Option Scheme or any other schemes of the Company to such person in the 12-month period up to and including the date of such grant (i) representing in aggregate over 0.1% of the Shares in issue; and (ii) having an aggregate value, based on the closing price of the Shares at the date of each grant, in excess of HK\$5 million, such further grant of Share Options must be approved by the Shareholders in general meeting. The grantee, his associates and all core connected persons of the Company must abstain from voting in favour at such general meeting.

As the total number of Shares issued and to be issued upon exercise of the Share Options proposed to be granted to Mr. Wu would in a 12-month period exceed 1% of the Shares in issue, the Proposed Grant of Share Options carrying the rights to subscribe for 55,000,000 Shares to Mr. Wu is subject to the approval by the independent Shareholders where Mr. Wu and his associates shall abstain from voting in favour of the relevant resolution at an extraordinary general meeting of the Company (the “EGM”) pursuant to the Listing Rules.

JZ Investment Fund L.P. holds 440,000,000 shares in the Company, representing approximately 29.34% of the issued share capital of the Company as at the date of this announcement. Mr. Wei is one of the ultimate owners of JZ International Ltd., the general partner of JZ Investment Fund L.P., therefore, Mr. Wei is a substantial Shareholder. As (i) the total number of Shares issued and to be issued upon exercise of the Share Options proposed to be granted to Mr. Wei would in a 12-month period exceed 1% of the Shares in issue, and (ii) such grant would in a 12-month period represent over 0.1% of the Shares in issue, and has an aggregate value, based on the closing price of the Shares on 7 June 2021, in excess of HK\$5 million, the Proposed Grant of Share Options carrying the rights to subscribe for 50,000,000 Shares to Mr. Wei is subject to the approval by the independent Shareholders where Mr. Wei, his associates and all core connected persons of the Company shall abstain from voting in favour of the relevant resolution at the EGM pursuant to the Listing Rules.

The EGM will be convened and held for the independent Shareholders to, among other things, consider and, if thought fit, approve the Proposed Grant. A circular containing, among other things, information of the Proposed Grant, will be despatched to the Shareholders in due course.

By order of the Board
OCI International Holdings Limited
Jiao Shuge
Non-executive Director (Chairman)

Hong Kong, 7 June 2021

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

Executive Directors:

Mr. Wu Guangze (*Chief Executive Officer*)
Mr. Feng Hai
Mr. Wei Bin

Independent non-executive Directors:

Mr. Chang Tat Joel
Mr. Tso Siu Lun Alan
Mr. Li Xindan

Non-executive Directors:

Mr. Jiao Shuge (*Chairman*)
Ms. Zheng Xiaosu