

Monthly Return of Equity Issuer on Movements in SecuritiesFor the month ended
(dd/mm/yyyy) :31/01/2018

To : Hong Kong Exchanges and Clearing Limited

Name of Issuer HC International, Inc.Date Submitted 05/02/ 2018

I. Movements in Authorised Share Capital

1. Ordinary Shares

(1) Stock code : <u>02280</u> Description : <u>Ordinary Shares</u>			
	No. of ordinary shares	Par value (HK\$)	Authorised share capital (HK\$)
Balance at close of preceding month	<u>2,000,000,000</u>	<u>0.1</u>	<u>200,000,000</u>
Increase/(decrease)	_____	_____	_____
Balance at close of the month	<u>2,000,000,000</u>	<u>0.1</u>	<u>200,000,000</u>
(2) Stock code : _____ Description : _____			
	No. of ordinary shares	Par value (State currency)	Authorised share capital (State currency)
Balance at close of preceding month	_____	_____	_____
Increase/(decrease)	_____	_____	_____
Balance at close of the month	_____	_____	_____

2. Preference Shares

Stock code : _____	Description : _____		
	No. of preference shares	Par value (<i>State currency</i>)	Authorised share capital (<i>State currency</i>)
Balance at close of preceding month	_____	_____	_____
Increase/(decrease)	_____		_____
Balance at close of the month	_____	_____	_____

3. Other Classes of Shares

Stock code : _____	Description : _____		
	No. of other classes of shares	Par value (<i>State currency</i>)	Authorised share capital (<i>State currency</i>)
Balance at close of preceding month	_____	_____	_____
Increase/(decrease)	_____		_____
Balance at close of the month	_____	_____	_____

Total authorised share capital at the end of the month (*State currency*) :

HK\$200,000,000

II. Movements in Issued Share Capital

	No. of ordinary shares (1)	(2)	No of preference shares	No. of other classes of shares
Balance at close of preceding month	1,085,323,710			
Increase/ (decrease) during the month	36,028,500			
Balance at close of the month	1,121,352,210			

III. Details of Movements in Issued Share Capital

Share Options (under Share Option Schemes of the Issuer)

Particulars of share option scheme including EGM approval date (dd/mm/yyyy) and class of shares issuable	Movement during the month				No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
	Granted	Exercised	Cancelled	Lapsed		
<u>1. Share Option Scheme</u> <u>adopted on 30 November 2003</u>						
Ordinary shares (Note 1)	Nil	Nil	Nil	Nil	Nil	13,510,000
<u>2. Share Option Scheme</u> <u>adopted on (22 /05/ 2015)</u>						
Ordinary shares (Note 1)	29,930,000 (Remark 1)	Nil	Nil	Nil	Nil	Nil
<u>3.</u> <u>(/ /)</u> <u>shares</u> (Note 1)						
			Total A. (Ordinary shares)		N/A	
			(Preference shares)		N/A	
			(Other class)		N/A	
Total funds raised during the month from exercise of options (State currency)			Nil			

Warrants to Issue Shares of the Issuer which are to be Listed

Description of warrants (Date of expiry - dd/mm/yyyy)	Currency of nominal value	Nominal value at close of preceding month	Exercised during the month	Nominal value at close of the month	No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
1. _____ _____	_____	_____	_____	_____	_____	_____
(/ /)	_____	_____	_____	_____	_____	_____
Stock code (if listed) _____	_____	_____	_____	_____	_____	_____
Class of shares _____	_____	_____	_____	_____	_____	_____
issuable (Note 1) _____	_____	_____	_____	_____	_____	_____
Subscription price _____	_____	_____	_____	_____	_____	_____
EGM approval date _____	_____	_____	_____	_____	_____	_____
(if applicable) _____	_____	_____	_____	_____	_____	_____
(dd/mm/yyyy) _____	_____	_____	_____	_____	_____	_____
2. _____ _____	_____	_____	_____	_____	_____	_____
(/ /)	_____	_____	_____	_____	_____	_____
Stock code (if listed) _____	_____	_____	_____	_____	_____	_____
Class of shares _____	_____	_____	_____	_____	_____	_____
issuable (Note 1) _____	_____	_____	_____	_____	_____	_____
Subscription price _____	_____	_____	_____	_____	_____	_____
EGM approval date _____	_____	_____	_____	_____	_____	_____
(if applicable) _____	_____	_____	_____	_____	_____	_____
(dd/mm/yyyy) _____	_____	_____	_____	_____	_____	_____
3. _____ _____	_____	_____	_____	_____	_____	_____
(/ /)	_____	_____	_____	_____	_____	_____
Stock code (if listed) _____	_____	_____	_____	_____	_____	_____
Class of shares _____	_____	_____	_____	_____	_____	_____
issuable (Note 1) _____	_____	_____	_____	_____	_____	_____
Subscription price _____	_____	_____	_____	_____	_____	_____
EGM approval date _____	_____	_____	_____	_____	_____	_____
(if applicable) _____	_____	_____	_____	_____	_____	_____
(dd/mm/yyyy) _____	_____	_____	_____	_____	_____	_____
4. _____ _____	_____	_____	_____	_____	_____	_____
(/ /)	_____	_____	_____	_____	_____	_____
Stock code (if listed) _____	_____	_____	_____	_____	_____	_____
Class of shares _____	_____	_____	_____	_____	_____	_____
issuable (Note 1) _____	_____	_____	_____	_____	_____	_____
Subscription price _____	_____	_____	_____	_____	_____	_____
EGM approval date _____	_____	_____	_____	_____	_____	_____
(if applicable) _____	_____	_____	_____	_____	_____	_____
(dd/mm/yyyy) _____	_____	_____	_____	_____	_____	_____
Total B. (Ordinary shares) Nil _____	_____	_____	_____	_____	_____	_____
(Preference shares) Nil _____	_____	_____	_____	_____	_____	_____
(Other class) Nil _____	_____	_____	_____	_____	_____	_____

Convertibles (i.e. Convertible into Shares of the Issuer which are to be Listed)

Class and description	Currency of amount outstanding	Amount at close of preceding month	Converted during the month	Amount at close of the month	No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
1. Convertible Bonds	HK\$	51,600,000	Nil	51,600,000	Nil	4,574,468
Stock code (if listed) <u>5839</u> Class of shares issuable (Note 1) <u>Ordinary shares</u> Subscription price <u>HK\$11.28(adjusted)</u> EGM approval date (if applicable) (dd/mm/yyyy) <u>N/A</u>						
2. Convertible Bonds	HK\$	60,285,000	Nil	Nil	Nil	Nil
(Remark 2)						
Stock code (if listed) _____ Class of shares issuable (Note 1) <u>Ordinary shares</u> Subscription price <u>HK\$10.00</u> EGM approval date (if applicable) (dd/mm/yyyy) <u>N/A</u>						
3. Convertible Bonds	HK\$	225,000,000	Nil	Nil	Nil	Nil
(Remark 2)						
Stock code (if listed) _____ Class of shares issuable (Note 1) <u>Ordinary shares</u> Subscription price <u>HK\$7.50</u> EGM approval date (if applicable) (dd/mm/yyyy) <u>N/A</u>						
4.						
Stock code (if listed) _____ Class of shares issuable (Note 1) _____ Subscription price _____ EGM approval date (if applicable) (dd/mm/yyyy) <u>(/ /)</u>						
				Total C. (Ordinary shares)	<u>Nil</u>	
				(Preference shares)	<u>N/A</u>	
				(Other class)	<u>N/A</u>	

Any other Agreements or Arrangements to Issue Shares of the Issuer which are to be Listed, including Options (other than under Share Option Schemes)

Full particulars including EGM approval date (dd/mm/yyyy), if applicable, and class of shares issuable:	No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
1. _____ _____ _____ (/ /) shares (Note 1)		
2. _____ _____ _____ (/ /) shares (Note 1)		
3. _____ _____ _____ (/ /) shares (Note 1)		
Total D. (Ordinary shares)	Nil	
(Preference shares)	Nil	
(Other class)	Nil	

Other Movements in Issued Share Capital

Type of Issue	No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
1. Rights issue	At price : State currency _____	Class of shares issuable (Note 1) _____ Issue and allotment date : (dd/mm/yyyy) (/ /) EGM approval date: (dd/mm/yyyy) (/ /)
2. Open offer	At price : State currency _____	Class of shares issuable (Note 1) _____ Issue and allotment date : (dd/mm/yyyy) (/ /) EGM approval date: (dd/mm/yyyy) (/ /)
3. Placing	At price : State currency _____	Class of shares issuable (Note 1) _____ Issue and allotment date : (dd/mm/yyyy) (/ /) EGM approval date: (dd/mm/yyyy) (/ /)
4. Bonus issue		Class of shares issuable (Note 1) _____ Issue and allotment date : (dd/mm/yyyy) (/ /) EGM approval date: (dd/mm/yyyy) (/ /)
5. Scrip dividend	At price : State currency _____	Class of shares issuable (Note 1) _____ Issue and allotment date : (dd/mm/yyyy) (/ /) EGM approval date: (dd/mm/yyyy) (/ /)

Type of Issue			No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
6. Repurchase of shares		Class of shares repurchased (<i>Note 1</i>) _____ Cancellation date : (/ /) (dd/mm/yyyy) AGM approval date: (/ /) (dd/mm/yyyy)	_____	_____
7. Redemption of shares		Class of shares redeemed (<i>Note 1</i>) _____ Redemption date : (/ /) (dd/mm/yyyy) EGM approval date: (/ /) (dd/mm/yyyy)	_____	_____
8. Consideration issue	HK\$ _____	Class of shares issuable (<i>Note 1</i>) _____ (/ /) Issue and allotment date : (dd/mm/yyyy) EGM approval date: (/ /) (dd/mm/yyyy)	_____	_____
9. Capital reorganisation		Class of shares issuable (<i>Note 1</i>) _____ Issue and allotment date : (/ /) (dd/mm/yyyy) EGM approval date: (/ /) (dd/mm/yyyy)	_____	_____
10. Other (Please refer to Remark 2)	At price : _____ In consideration of the convertible bonds held by the bondholders	Class of shares issuable (<i>Note 1</i>) <u>Ordinary</u> Issue and allotment date : (16/01/2018) (dd/mm/yyyy) EGM approval date: (/ /) (dd/mm/yyyy)	_____	<u>36,028,500</u> <u>Nil</u>

Type of Issue	No. of new shares of issuer issued during the month pursuant thereto	No. of new shares of issuer which may be issued pursuant thereto as at close of the month
Total E. (Ordinary shares) (Preference shares) (Other class)	<u>36,028,500</u> <u>N/A</u> <u>N/A</u>	

Total increase / (decrease) in ordinary shares during the month (i.e. Total of A to E):	(1)	<u>36,028,500</u>
	(2)	<u>N/A</u>
Total increase / (decrease) in preference shares during the month (i.e. Total of A to E):		<u>N/A</u>
Total increase / (decrease) in other classes of shares during the month (i.e. Total of A to E):		<u>N/A</u>
<i>(These figures should be the same as the relevant figures under II above ("Movements in Issued Share Capital").)</i>		

Remarks (if any):

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1. The shareholders of the Company passed a resolution at the extraordinary general meeting held on 8 December 2017 to grant 29,930,000 share options to subscribe for ordinary shares of HK\$0.10 each in the capital of the Company ("Share(s)") to Mr. Liu Jun, the executive director and chief executive officer of the Company, at an exercise price of HK\$6.476 per Share under the Company's existing share option scheme adopted on 22 May 2015. The said share options shall vest in phases. The first twenty percent of the shares comprised in the share options shall become vested and exercisable upon the first anniversary of the offer date, i.e. 13 October 2018, and shall expire on 12 October 2027. Hence, the number of new shares of the Company which may be issued as at the close of the month is nil.
 2. On 5 January 2018, the Company entered into the subscription agreements with the Bondholders (as defined in the Company's announcement dated 5 January 2018, the "Announcement"), pursuant to which the Company agreed to allot 36,028,500 new shares ("New Shares") in aggregate to each of the Bondholders in exchange for the surrender of the Convertible Bonds (as defined in the Announcement). The New Shares were issued and allotted to the Bondholders on 16 January 2018 and the Convertible Bonds were cancelled accordingly.
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Submitted by: Guo Jiang

Title: Executive Director

Notes :

1. *State the class of shares (e.g. ordinary, preference or other).*
2. *If there is insufficient space, please append the prescribed continuation sheet.*