

*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.*



## **XIWANG SPECIAL STEEL COMPANY LIMITED**

**西王特鋼有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 1266)**

### **GRANT 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 of directors (the “**Board**”) of Xiwang Special Steel Company Limited (the “**Company**”) announces that on 25 August 2016 (“**Date of Grant**”), the Company granted a total of 10,400,000 share options (the “**Options**”) to subscribe for the ordinary shares of the Company (“**Shares**”) to certain employees, an executive director and a non-executive director of the Company (the “**Grantee**”) under the Company’s share option scheme adopted on 3 September 2014. A summary of the grant of Options is set out below:

Date of Grant	:	25 August 2016
Exercise price of Options granted	:	HK\$0.73 per Share
Number of Options granted	:	10,400,000
Closing price per Share on the Date of Grant	:	HK\$0.73 per Share
Validity period of the Options	:	From 25 August 2016 to 24 August 2021

During the validity period of the Options, the Options shall become exercisable as follows:

- (i) Options to subscribe for up to 3,466,666 Shares shall become exercisable commencing from 25 August 2016 up to and including 24 August 2017;
- (ii) Options to subscribe for up to 6,933,333 Shares (inclusive of those set out in paragraph (i) above) shall become exercisable commencing from 25 August 2017 up to and including 24 August 2018; and
- (iii) all the Options shall become exercisable commencing from 25 August 2018 up to and including 24 August 2021.

Each Option shall entitle the Grantee to subscribe for one Share upon exercise of such Option at an exercise price of HK\$0.73 per Share, which represents the higher of (i) the closing price of HK\$0.73 per Share as stated in the daily quotation sheets issued by The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 25 August 2016 (Date of Grant); and (ii) the average closing price of HK\$0.72 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.

Out of the Options to subscribe for 10,400,000 Shares offered to the Grantees, Options to subscribe for 5,000,000 and 1,500,000 Shares were granted to Mr. WANG Di, non-executive director and chairman of the Company and Mr. SUN Xihu, executive director of the Company. The grant of Options to such executive director and non-executive director has been approved by the independent non-executive directors of the Company.

Save as disclosed above, none of the Grantees is a director, chief executive or substantial shareholder of the Company nor an associate (as defined in the Listing Rules) of any of them.

By order of the Board  
**Xiwang Special Steel Company Limited**  
**WONG Kai Hing**  
*Company Secretary*

Hong Kong, 25 August 2016

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

*Executive Directors*

Mr. ZHANG Jian  
Mr. SUN Xihu  
Ms. LI Hai Xia

*Independent non-executive Directors*

Mr. LEUNG Shu Sun Sunny  
Mr. LI Bangguang  
Mr. YU Kou

*Non-executive Directors*

Mr. WANG Di  
Mr. WANG Yong