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**CLIMAX INTERNATIONAL COMPANY LIMITED  
(to be renamed to KuangChi Science Limited)**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 439)**

**APPOINTMENT OF CHAIRMAN OF THE BOARD;  
APPOINTMENT OF MEMBERS OF AUDIT COMMITTEE;  
CHANGE OF MEMBERS OF REMUNERATION COMMITTEE  
AND NOMINATION COMMITTEE;  
APPOINTMENT OF AUTHORISED REPRESENTATIVE;  
AND  
GRANT OF SHARE OPTIONS**

The Company is pleased to announce that with effect from 26 August 2014:

1. Dr. Liu Ruopeng, an executive Director, is appointed as the Chairman of the Board;
2. Dr. Zhang Yangyang, an executive Director, is appointed as the Chief Executive Officer of the Group;
3. Dr. Luan Lin, an executive Director, is appointed as the Chief Technology Officer of the Group;
4. Dr. Liu Jun and Dr. Wong Kai Kit, independent non-executive Directors, are appointed as members of the Audit Committee;
5. Dr. Zhang Yangyang, Dr. Liu Jun and Dr. Wong Kai Kit are appointed as members of the Remuneration Committee and Dr. Wong Kai Kit is appointed as the Chairman of such committee;
6. Dr. Liu Ruopeng, Dr. Liu Jun and Dr. Wong Kai Kit are appointed as members of the Nomination Committee and Dr. Liu Ruopeng is appointed as the Chairman of such committee;
7. Mr. Lau Man Tak has resigned as members of the Remuneration Committee and the Nomination Committee and Mr. Lau remains to be the Chairman of the Audit Committee; and

8. Mr. Chan Ming Kei has resigned as an Authorised Representative of the Company and Dr. Zhang Yangyang is appointed as an Authorized Representative of the Company.

The Company also announces that it has today granted a total of 67,747,000 share options to the grantees under the share option scheme of the Company.

The board (the “**Board**”) of directors (the “**Directors**”) of Climax International Company Limited (to be renamed to “KuangChi Science Limited”) (the “**Company**”, together with its subsidiaries refer to the “**Group**”) hereby announces the followings:

### **1. Appointment of Chairman**

With effect from 26 August 2014, Dr. Liu Ruopeng (“Dr. Liu”) (an executive Director) is appointed as the Chairman of the Board.

Dr. Liu, aged 30, is the president of 深圳光啟高等理工研究院 (Kuang-Chi Institute of Advanced Technology). Dr. Liu was the vice chairman of 深圳市總商會第六屆理事會 (The 6th Executive Committee of the Shenzhen Federation of Industry and Commerce) in 2012. He was appointed a member of the First Shenzhen-Hong Kong Youth Consulting Committee for Authority of Qin Hai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone of Shenzhen in 2014. Dr. Liu was awarded 中國青年五四獎章 (“4th May Youth Excellence Award in China”) in 2014 and 2010 年度廣東十大新聞人物 (“2010 Guangdong News-Focus People Top 10”) in 2011. Dr. Liu obtained a master of science degree and a doctorate degree from Duke University, the United States of America in 2008 and a bachelor’s degree in engineering from Zhejiang University, the People’s Republic of China (the “PRC”) in 2006.

Dr. Liu has not entered into any service contract with the Company and he is subject to retirement by rotation and re-election in accordance with the bye-laws of the Company (“**Bye-laws**”). The remuneration of Dr. Liu as an executive Director is to be determined by the Board with reference to his experience and prevailing market rate. Dr. Liu is entitled to a basic remuneration of RMB800,000 per annum. As at the date of this announcement, Dr. Liu was deemed to be interested in 2,958,000,000 shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (the “SFO”).

Save as disclosed above, Dr. Liu had not held any other directorships in any public listed companies in the past three years and, is not connected with any directors, senior management or substantial or controlling shareholders of the Company. Dr. Liu confirmed that there is no other information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and there are no matters that need to be brought to the attention of holders of securities of the Company.

### **2. Appointment of Chief Executive Officer**

With effect from 26 August 2014, Dr. Zhang Yangyang (“Dr. Zhang”) (an executive Director) is appointed as the Chief Executive Officer of the Group.

Dr. Zhang, aged 35, has been the executive vice president of 深圳光啟高等理工研究院 (Kuang-Chi Institute of Advanced Technology) since 2009. Dr. Zhang has been the vice president of 深圳市青年科技人才協會 (Shenzhen Young Science and Technology Talents Association) since 2012. Dr. Zhang obtained a doctorate degree from the University of Oxford, the United Kingdom in 2009, and graduated as 碩士研究生 (Master Research Student) from Northeastern University, the PRC in 2004.

Dr. Zhang has not entered into any service contract with the Company and he is subject to retirement by rotation and re-election in accordance with the Bye-laws. The remuneration of Dr. Zhang as an executive Director is to be determined by the Board with reference to his experience and prevailing market rate. Dr. Zhang is entitled to a basic remuneration of RMB750,000 per annum. As at the date of this announcement, Dr. Zhang did not have any interest in the ordinary shares within the meaning of Part XV of the SFO.

Save as disclosed above, Dr. Zhang has not held any other directorships in any public listed companies in the past three years and, is not connected with any directors, senior management or substantial or controlling shareholders of the Company. Dr. Zhang confirmed that there is no other information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there are no matters that need to be brought to the attention of holders of securities of the Company.

### **3. Appointment of Chief Technology Officer**

With effect from 26 August 2014, Dr. Luan Lin (“Dr. Luan”) (an executive Director) is appointed as the Chief Technology Officer of the Group.

Dr. Luan, aged 34, has been the vice president of 深圳光啟高等理工研究院 (Kuang-Chi Institute of Advanced Technology) since 2010. Dr. Luan obtained a doctorate degree from Duke University, the United States of America in 2010 and a master’s degree from Peking University, the PRC in 2004.

Dr. Luan has not entered into any service contract with the Company and she is subject to retirement by rotation and re-election in accordance with the Bye-laws. The director’s fee of Dr. Luan as an executive Director is to be determined by the Board with reference to her experience and prevailing market rate. Dr. Luan is entitled to a basic remuneration of RMB700,000 per annum. As at the date of this announcement, Dr. Luan did not have any interest in the ordinary shares within the meaning of Part XV of the SFO.

Save as disclosed above, Dr. Luan has not held any other directorships in any public listed companies in the past three years and, is not connected with any directors, senior management or substantial or controlling shareholders of the Company. Dr. Luan confirmed that there is no other information to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there are no matters that need to be brought to the attention of holders of securities of the Company.

#### 4. Appointment of members of Audit Committee

With effect from 26 August 2014, Dr. Liu Jun and Dr. Wong Kai Kit (both are independent non-executive Directors), are appointed as members of the Audit Committee. The Audit Committee now comprises of Mr. Lau Man Tak (an independent non-executive Director) as the Chairman, Dr. Liu Jun and Dr. Wong Kai Kit as members.

#### 5. Change of members of Remuneration Committee

With effect from 26 August 2014, Dr. Zhang Yangyang, Dr. Liu Jun and Dr. Wong Kai Kit are appointed as members of the Remuneration Committee and Dr. Wong Kai Kit is appointed as the Chairman of such committee. On the same date, Mr. Lau Man Tak has resigned as a member of the Remuneration Committee. The Remuneration Committee now comprises of Dr. Wong Kai Kit as the Chairman, Dr. Liu Jun and Dr. Zhang Yangyang as members.

#### 6. Change of members of Nomination Committee

With effect from 26 August 2014, Dr. Liu Ruopeng, Dr. Liu Jun and Dr. Wong Kai Kit are appointed as members of the Nomination Committee and Dr. Liu Ruopeng is appointed as the Chairman of such committee. On the same date, Mr. Lau Man Tak has resigned as a member of the Nomination Committee. The Nomination Committee now comprises of Dr. Liu Ruopeng, as the Chairman, Dr. Liu Jun and Dr. Wong Kai Kit as members.

#### 7. Change of Authorized Representatives

With effect from 26 August 2014, Mr. Chan Ming Kei has resigned as an Authorized Representative of the Company. On the same date, Dr. Zhang Yangyang is appointed as an Authorized Representatives of the Company.

#### 8. Grant of share options

The Company has today granted share options (the “**Share Options**”) under its share option scheme adopted on 31 July 2012 to certain Directors and employees of the Group (the “**Grantees**”) which, subject to the acceptance of the Share Options by the Grantees, will enable the Grantees to subscribe for an aggregate of 67,747,000 new ordinary shares of HK\$0.01 each (the “**Shares**”) in the share capital of the Company. A summary of such grant is set out below:

Date of grant	:	26 August 2014
Exercise price	:	HK\$5.386 per Share
Number of Share Options granted	:	67,747,000 Share Options
Closing price of the Shares on the Date of Grant	:	HK\$5.15 per Share
Validity period of the Share Options	:	5 years commencing from the Date of Grant (i.e. 26 August 2014 to 25 August 2019 both days inclusive)

Vesting/Performance conditions : Vesting of the Share Options is conditional upon the achievement of certain performance targets as set out in the respective offer letters

A total of 24,900,000 Share Options and 42,847,000 Share Options were granted to the Directors and employees of the Group, respectively, details of which are as follows:

<b>Grantee</b>	<b>Position held in the Group</b>	<b>Number of Share Options Granted</b>
<b>Directors</b>		
Dr. Zhang Yangyang	Chief Executive Officer and Executive Director	15,000,000
Dr. Luan Lin	Chief Technology Officer and Executive Director	9,900,000
Sub-total of Share Options granted to Directors		<u>24,900,000</u>
<b>Other employees</b>		
Ms. Huang Weizi	Chief Operation Officer spouse of Dr. Liu Ruopeng ( <i>Chairman</i> )	3,000,000
Other employees		<u>39,847,000</u>
Sub-total of Share Options granted to other employees of the Group		<u>42,847,000</u>
Total		<u><u>67,747,000</u></u>

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

Subject to the abovementioned vesting or performance conditions, the Share Options with respect to a Grantee will be exercisable in the following manner:

- (i) 33% of the Share Options will be exercisable at any time on and after the end of first anniversary of the grant of the Share Options;
- (ii) 33% of the Share Options and any Share Options that have not been exercised as referred in paragraph (i) above will be exercisable at any time commencing from end of the second anniversary of the grant of the Share Options; and
- (iii) 34% of the Share Options and any Share Options that have not been exercised as referred in paragraphs (i) and (ii) above will be exercisable at any time commencing from the end of third anniversary of the grant of the Share Options.

No Share Options will be exercisable after the expiry of its term.

The grant of Share Options to each of the Grantees being a Director has been approved by the independent non-executive Directors.

By Order of the Board  
**Climax International Company Limited**  
**Dr. Liu Ruopeng**  
*Chairman & Executive Director*

Hong Kong, 26 August 2014

*As at the date of this announcement, the Board comprises five executive Directors, namely Dr. Liu Ruopeng, Dr. Luan Lin, Dr. Zhang Yangyang, Mr. Ko Chun Shun, Johnson and Mr. Ng Man Chan; and three independent non-executive Directors, namely Dr. Liu Jun, Dr. Wong Kai Kit and Mr. Lau Man Tak.*