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HC INTERNATIONAL, INC.
慧聰網有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 02280)

RE-DESIGNATION OF DIRECTORS AND CHANGES IN THE IMPORTANT FUNCTIONS OF DIRECTORS

The Board announces that with effect from 18 October 2017, (a) Mr. GUO will be re-designated as a non-executive Director and resign as the chairman of the Board, the chairman of the Nomination Committee, Authorised Representative and the Compliance Officer; (b) Mr. Guo Jiang will resign as the Chief Executive Officer, and will be appointed as the chairman of the Board, the chairman of the Nomination Committee and the Compliance Officer; and (c) Mr. Liu will be appointed as the Chief Executive Officer and the Authorised Representative.

RE-DESIGNATION OF DIRECTORS AND CHANGES IN THE IMPORTANT FUNCTIONS OF DIRECTORS

The board (the "**Board**") of directors (each a "**Director**") of HC International, Inc. (the "**Company**") and together with its subsidiaries, the "**Group**") announces that with effect from 18 October 2017,

(a) Mr. Guo Fansheng ("**Mr. Guo**"), an executive Director, will be re-designated as a non-executive Director and will resign as the chairman of the Board, the chairman of nomination committee of the Company (the "**Nomination Committee**"), an authorised representative of the Company (the "**Authorised Representative**") and the compliance officer of the Company (the "**Compliance Officer**");

(b) Mr. Guo Jiang will resign as the chief executive officer of the Company ("**Chief Executive Officer**"), and will be appointed as the chairman of the Board, the chairman of the Nomination Committee and the Compliance Officer. He will remain as a member of the remuneration committee of the Company after the aforesaid change; and

* *for identification purpose only.*

(c) Mr. Liu Jun ("**Mr. Liu**") will be appointed as the Chief Executive Officer and the Authorised Representative.

Save as disclosed above, there is no change to the responsibilities of each of Mr. Guo, Mr. Guo Jiang and Mr. Liu within the Group.

The biographical details of Mr. Guo, Mr. Guo Jiang and Mr. Liu are set out below:

Mr. Guo, aged 61, found the Group in October 1992 and is responsible for the overall strategic development and policy of the Group. From 1990 to 1992, Mr. Guo worked as a manager in a state-owned business information company in Beijing, the People's Republic of China (the "**PRC**"). From 1987 to 1990, Mr. Guo served as a director of the Liaison Office and General office of the Economic System Reform Institute under the State Commission for Economic Restructuring, and as the deputy director of the Western China Development Research Centre. Prior to working at the State Commission for Economic Restructuring, Mr. Guo served from 1982 to 1987 as a senior official in the government of the Inner Mongolia Autonomous Region. Mr. Guo obtained a bachelor degree in industrial economics from Renmin University of China, the PRC in 1982. Mr. Guo was appointed as an executive Director of the Company on 21 March 2000.

Mr. Guo is the uncle of Mr. Guo Jiang, an executive Director and the current Chief Executive Officer.

Mr. Guo will enter into a new letter of appointment with the Company as a non-executive director of the Company for a fixed term of 1 year commencing from 18 October 2017 which shall be renewed automatically at the end of the term. Either Mr. Guo or the Company may terminate the service contract at any time by giving one month's prior written notice or in accordance with the terms of the service contract. After re-designation as a non-executive Director, Mr. Guo will not receive salary or service fee from the Company.

Save as disclosed above, Mr. Guo does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company. As at the date of this announcement, Mr. Guo is interested in 57,749,015 shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Guo has confirmed that he has no disagreement with the Board and there is no matter relating to his resignation from the executive roles of the Company that needs to be brought to the attention of the shareholders of the Company (the "**Shareholders**") or The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The Board would like to take this opportunity to express its appreciation for the valuable contribution of Mr. Guo towards the Company during his tenure of service.

Mr. Guo Jiang, aged 44, was appointed as an executive Director with effect from 1 August 2006. He is also the authorised representative of the Company. Mr. Guo Jiang joined the Group in 1996 as a sale manager and became the chief executive officer of the Group in 2008. He is responsible for overseeing the operations of the Group. Prior to that, Mr. Guo Jiang spent two years at the Broadcasting Science Institute of the State Administration of Radio, Film and Television as an assistant to director. Mr. Guo Jiang graduated from the Harbin University of Commerce, the PRC, in 1994 with a bachelor degree in computer science. He also attended the Business Administration Course for Senior Management of Modern Enterprises conducted by Guanghua Business School of Peking University, the PRC, in 2002.

Mr. Guo Jiang is also a director of 神州數碼集團股份有限公司 (stock code: 000034), a company listed on the Shenzhen Stock Exchange.

Mr. Guo Jiang is the nephew of Mr. Guo, an executive Director and the chairman of the Board and the spouse of Ms. Geng Yi, a vice-president of the Group.

Mr. Guo Jiang has previously entered into a director's service contract with the Company, whereby he has accepted the appointment as an executive Director for a term of three years from 30 November 2015, which may be terminated by either party giving three months' prior written notice or otherwise in accordance with the terms of his service contract. Mr. Guo Jiang receives an annual salary fee of RMB600,000 from the Company. In addition, as an executive Director, Mr. Guo Jiang is also entitled to discretionary year-end bonus provided that the total amount of discretionary bonus to be paid to all the executive Directors of the Company does not exceed 5% of the annual net income (after tax) of the Company. The amount of discretionary bonus payable to Mr. Guo Jiang is subject to the absolute discretion of the Board. Mr. Guo Jiang is also entitled to share options of the Company and cash rewards, share awards and benefits in kind under other award schemes as adopted by the Company from time to time. The emoluments of the Directors and the senior staff are determined based on the operating results of the Group, individual performance and/or prevailing market conditions. Mr. Guo Jiang's terms of service contract shall remain unchanged. Mr. Guo Jiang would not receive additional remuneration for his appointment as the chairman of the Board and the chairman of the Nomination Committee.

Save as disclosed above, Mr. Guo Jiang does not have any relationship with any Director, senior management or substantial or controlling shareholders of the Company. As at the date of this announcement, Mr. Guo Jiang is interested in 197,559,771 shares ("**Shares**") of the Company, and have a short position of 66,000,000 Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Mr. Liu, aged 40, was appointed as an executive Director with effect from 12 September 2016. Mr. Liu has also been the senior vice president of the Group since July 2016. From 2004 to 2011, Mr. Liu was the chief executive officer of 頤高集團有限公司 (Yigao Group Company Limited) leading the company to enter into the information technology businesses. Mr. Liu has also been a director of several subsidiaries of the Company. Mr. Liu has obtained the Master's degree in Chemical Engineering from Zhejiang University in March 2004 and Bachelor's degree in Chemical Engineering, Bio-engineering and Chemical Processing from Zhejiang University as well in June 2000.

Mr. Liu has previously entered into a director's service contract with the Company, whereby he has accepted the appointment as an executive Director for a term of three years from 12 September 2016, which may be terminated by either party giving three months' prior written notice or otherwise in accordance with the terms of his service contract. Mr. Liu receives an annual salary fee of RMB600,000 from the Company. In addition, as an executive Director, Mr. Liu is also entitled to discretionary year-end bonus provided that the total amount of discretionary bonus to be paid to all executive Directors of the Company does not exceed 5% of the annual net income (after tax) of the Company. The amount of discretionary bonus payable to Mr. Liu is subject to the absolute discretion of the Board. Mr. Liu is also entitled to share options of the Company, cash rewards, share awards and benefits in kind under other award schemes as adopted by the Company from time to time. The emoluments of the Directors and the senior staff are determined based on the operating results of the Group, individual performance and/or prevailing market conditions. Mr. Liu's terms of service contract remain unchanged. Mr. Liu will not receive additional remuneration for his appointment as the Chief Executive Officer and the Authorised Representative.

Mr. Liu does not have any relationship with any Director, senior management or substantial or controlling shareholders of the Company. As at the date of this announcement, Mr. Liu has personal interest in 43,950,000 shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, there is no other information which is required to be disclosed pursuant to the requirements of Rule 13.51(2) of the Listing Rules and there are no other matters relating to Mr. Guo, Mr. Guo Jiang and Mr. Liu which the Board considers necessary to be brought to the attention of the Shareholders.

By order of the Board
HC INTERNATIONAL, INC.
Guo Jiang
Chief Executive Officer and Executive Director

Beijing, the People's Republic of China, 13 October 2017

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

Mr. Guo Fansheng *(Executive Director and Chairman)*
Mr. Guo Jiang *(Executive Director and Chief Executive Officer)*
Mr. Lee Wee Ong *(Executive Director and Chief Financial Officer)*
Mr. Liu Jun *(Executive Director)*
Mr. Li Jianguang *(Non-executive Director)*
Mr. Wong Chi Keung *(Non-executive Director)*
Mr. Zhang Ke *(Independent non-executive Director)*
Mr. Zhang Tim Tianwei *(Independent non-executive Director)*
Mr. Tang Jie *(Independent non-executive Director)*