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20 years, young HC!

HC INTERNATIONAL, INC.

慧聪网有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 02280)

**VOLUNTARY ANNOUNCEMENT REGARDING THE STATUS
OF ACQUISITION OF THE REMAINING EQUITY INTEREST IN
CHONGQING DIGITAL CHINA HUICONG MICRO-CREDIT CO., LTD**

Reference is made to the announcements of HC International, Inc. (the “**Company**”) dated 17th August 2016, 24th April 2017, 19th May 2017, 26th June 2017 of the Company and the circular of the Company dated 27th June 2017 (the “**Circular**”) regarding acquisition of the remaining equity interest in Chongqing Micro-Credit and Digital China’s subscription of the Company’s new shares under a specific mandate. Unless otherwise expressly stated herein, capitalized terms used in this announcement shall have the same meanings as defined in the Circular of the Company.

On 19th May 2017, the Company, Digital China (a company listed on the Main Board of the Stock Exchange (stock code: 00861), and a substantial shareholder of the Company), Beijing Huicong Internet Information Technology Co., Ltd* (北京慧聪互聯信息技術有限公司) (“**Beijing Huicong Internet**”, a wholly-owned subsidiary of the Company) (as purchaser) and Digital China Investments Limited* (神州投資有限公司) (“**Digital China Investments**”, an indirectly wholly-owned subsidiary of Digital China”) (as vendor) entered into a formal sale and purchase agreement (the “**Formal SPA**”) in relation to the acquisition of the remaining 60% equity interest (the “**Sale Shares**”) in Chongqing Micro-Credit.

Chongqing Micro-Credit is a company established in the PRC and is indirectly owned as to 40% by the Company and 60% by Digital China through their respective wholly-owned subsidiaries. The Acquisition will enhance the development and expansion potential of the Group’s financial service cluster by providing more comprehensive services to small and medium size corporate customers in respect of the supply chain and transaction funds etc.

* For identification purposes only

Pursuant to the Formal SPA, Beijing Huicong Internet has conditionally agreed to purchase and Digital China Investments has conditionally agreed to sell the Sale Shares for a consideration of RMB1,083,637,320 (equivalent to HK\$1,227,000,000)(the “**Consideration**”). The Consideration is to be settled in cash by Beijing Huicong Internet within six months after the execution of the first Equity Transfer Agreement.

Digital China has undertaken that upon Beijing Huicong Internet transferring any part of the Consideration to Digital China Investments in the PRC, Digital China will within 10 business days pay a sum equal to the said part of the Consideration in HK\$ to the Company in Hong Kong to subscribe for the New Shares. Upon Beijing Huicong Internet paying the whole Consideration, a total of 175,285,714 New Shares shall have been subscribed by Digital China or its designated wholly-owned subsidiary.

The ordinary resolution as set out in the notice of extraordinary general meeting dated 27th June 2017 was duly passed by the Shareholders on 14th July 2017.

As at the date of this announcement, the Company has applied for facilities and loans from banks and financial institutions, and was granted credit facility from one of the financial institutions. It is expected that Beijing Huicong Internet would enter into Equity Transfer Agreement with Digital China Investments, in relation to the transfer of all or part of the Sale Shares and anything incidental thereto around 31st October 2017, and the completion of the transfer(s) shall take place before 31st December 2017.

By order of the board of directors
HC INTERNATIONAL, INC.

Guo Jiang

Chief Executive Officer and Executive Director

Beijing, the People’s Republic of China, 11th September 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*)