

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.



HC INTERNATIONAL, INC.

慧聪网有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 02280)

**UPDATES ON THE MAJOR AND CONNECTED TRANSACTION:
ACQUISITION OF THE REMAINING EQUITY INTERESTS IN
CHONGQING MICRO-CREDIT AND
DIGITAL CHINA'S SUBSCRIPTION OF THE COMPANY'S NEW SHARES
UNDER A SPECIFIC MANDATE**

Reference is made to the announcements of HC International, Inc. (the “**Company**”) dated 19 May 2017 and 14 July 2017 of the Company and the circular of the Company dated 27 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.

The Board is pleased to announce that on 25 October 2017, the first Equity Transfer Agreement has been duly executed by the Purchaser and the Vendor, under which the Vendor has agreed to transfer 30% equity interest in Chongqing Micro-Credit to the Purchaser at a consideration of RMB541,866,000 (equivalent to HK\$613,500,000) (the “**First Consideration**”). The shareholders of Chongqing Micro-Credit have unanimously resolved, among others, that one of the current directors of Chongqing Micro-Credit be removed from its board and Mr. Liu Jun, an executive director and the Chief Executive Officer of the Company, be appointed as a new director of Chongqing Micro-Credit.

Pursuant to the first Equity Transfer Agreement, settlement of the First Consideration shall occur within three months following the fulfillment (or waiver) of the conditions precedent contained therein.

As at the date of this announcement, not all the conditions precedent to the completion of the transfer of the Sale Shares contained in the first Equity Transfer Agreement have been satisfied or waived, in particular, Chongqing Micro-Credit is still in the course of obtaining all necessary consents, authorisations, permits or approval from governmental departments and/or regulatory institutions (including but not limited to the approval of 重慶市人民政府金融工作辦公室 (Chongqing Municipal People's Government Financial Affairs Office*)) for the change of equity holdings caused by the transfer of the Sale Shares pursuant to the first Equity Transfer Agreement as required under any laws, the Listing Rules or other applicable regulations. Accordingly, the First Consideration has not yet been settled by the Purchaser as at the date of this announcement.

Pursuant to the Formal SPA, Digital China has undertaken that upon the Purchaser transferring any part of the Consideration to the Vendor 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 New Shares at the issue price of HK\$7.0 per Share. Upon the Purchaser paying the First Consideration, a total of 87,642,857 New Shares shall have been subscribed by Digital China or its designated wholly-owned subsidiary.

Shareholders and potential investors of the Company are therefore advised to exercise caution when dealing in the Shares.

By order of the board of Directors
HC INTERNATIONAL, INC.
Guo Jiang
Chairman

Beijing, the People's Republic of China, 25 October 2017

* *For identification purposes only*

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

Mr. Guo Jiang (*Executive Director and Chairman*)
Mr. Liu Jun (*Executive Director and Chief Executive Officer*)
Mr. Lee Wee Ong (*Executive Director and Chief Financial Officer*)
Mr. Guo Fansheng (*Non-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*)