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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **HC International, Inc.** (the "Company"), you should at once hand this circular to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

This circular, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that, to the best of their knowledge and belief: (i) the information contained in this circular is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this circular misleading; and (iii) all opinions expressed in this circular have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.



HC INTERNATIONAL, INC.
慧聰網有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock code: 8292)

**GENERAL MANDATES TO ISSUE SHARES
AND TO REPURCHASE SHARES
AND
RE-ELECTION OF DIRECTORS**

The notice convening the annual general meeting of the Company to be held at Tower B, Jieneng Building, 42 North Street, Xizhimen, Haidian District, Beijing, the PRC (100082) on 25th April 2008, at 4:00 p.m. (the "AGM") is set out in the annual report of the Company for the year ended 31st December 2007 (the "Annual Report").

A form of proxy for the AGM is enclosed with the Annual Report. Whether or not you intend to be present at the AGM, you are requested to complete the form of proxy and return the same to the Company's Hong Kong branch registrar, Hong Kong Registrars Limited, at 46th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong in accordance with the instructions printed thereon as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM or any adjournment thereof if you so wish.

This circular will remain on the GEM website at www.hkgem.com on the "Latest Company Announcements" page for at least 7 days from the date of its posting.

CHARACTERISTICS OF GEM

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the Internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website at www.hkgem.com in order to obtain up-to-date information on GEM-listed issuers.

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DEFINITIONS

In this circular, the following expressions shall have the following meanings unless the context requires otherwise:

“AGM”	an annual general meeting of the Company for the year ended 31st December 2007 to be held at Tower B, Jieneng Building, 42 North Street, Xizhimen, Haidian District, Beijing, the PRC on 25th April 2008 at 4:00 p.m. or any adjournment thereof
“Annual Report”	the annual report of the Company for the year ended 31st December 2007
“Articles of Association”	the articles of association of the Company, adopted on 30th November 2003 and as amended from time to time
“Board”	the board of directors of the Company
“Company”	HC International, Inc., a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on GEM
“Directors”	directors of the Company
“GEM”	The Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	26th March 2008, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Registrar”	the branch share registrar of the Company in Hong Kong, Hong Kong Registrars Limited, at Room 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong.
“Repurchase Mandate”	the general mandate to be granted to the Directors to exercise the powers of the Company to repurchase Shares during the period as set out in the Repurchase Resolution up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the Repurchase Resolution

DEFINITIONS

“Repurchase Resolution”	the proposed ordinary resolution in the terms set out in resolution no. 4(B) of the notice of the AGM
“Share(s)”	share(s) of nominal value of HK\$0.10 each in the share capital of the Company
“Shareholders”	holders of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeover Code”	The Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

LETTER FROM THE BOARD



HC INTERNATIONAL, INC.

慧聰網有限公司*

(incorporated in the Cayman Islands with limited liability)

(Stock code: 8292)

Executive Directors:

Guo Fansheng (*Chief Executive Officer*)

Guo Jiang

Wu Hui

Non-executive Director:

Li Jianguang (*Chairman*)

Independent Non-executive Directors:

Zhang Ke

Xiang Bing

Guo Wei

Registered Office:

4th Floor

One Capital Place

P.O. Box 847

George Town

Grand Cayman

Cayman Islands

British West Indies

Head Office and Principal

Place of Business:

Tower B

Jieneng Building

42 North Street

Xizhimen Haidian District

Beijing

The People's Republic of China

26th March 2008

To the Shareholders

Dear Sir or Madam,

**GENERAL MANDATES TO ISSUE SHARES
AND TO REPURCHASE SHARES
AND
RE-ELECTION OF DIRECTORS**

INTRODUCTION

The purpose of this circular is to provide you with information regarding the proposed general mandates to issue shares and to repurchase shares, and the re-election of certain Directors in accordance with the Articles of Association.

* For identification purposes only

LETTER FROM THE BOARD

GENERAL MANDATE TO ISSUE SHARES

At the AGM, an ordinary resolution will be proposed in the terms set out in resolutions no. 4(A) and 4(C) of the notice of the AGM whereby if passed, the Directors will be given a general and unconditional mandate to allot, issue and deal with Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company as at the date of the passing of the relevant resolution (the "Share Issue Mandate").

In addition, if the Repurchase Resolution is passed, an ordinary resolution in the terms set out in resolution no. 4(B) of the notice of the AGM whereby if passed, the Directors will be given a general and unconditional mandate to allot or issue further Shares up to an amount equal to the aggregate nominal amount of the issued share capital of the Company purchased under the Repurchase Mandate.

The Share Issue Mandate allows the Company to allot, issue and deal with Shares only during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the date by which the next annual general meeting of the Company is required to be held by its Articles of Association or any applicable law; or (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company (the "Relevant Period").

As at the Latest Practicable Date, the issued share capital of the Company comprised 492,836,960 Shares. Subject to the passing of the relevant resolution for the Share Issue Mandate and on the basis that no further Shares are allotted and issued prior to the AGM, the Company will be allowed to allot, issue and deal with a maximum of 98,567,392 Shares under the Share Issue Mandate.

GENERAL MANDATE TO REPURCHASE SHARES

At the AGM, the Repurchase Resolution will be proposed for the Directors to be granted the Repurchase Mandate. The Repurchase Mandate allows the Company to make purchases only during the Relevant Period.

As at the Latest Practicable Date, the issued share capital of the Company comprised 492,836,960 Shares. Subject to the passing of the Repurchase Resolution and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company will be allowed to repurchase a maximum of 49,283,696 Shares under the Repurchase Mandate.

ANNUAL GENERAL MEETING

The notice convening the AGM is set out in the Annual Report.

A form of proxy for the AGM is enclosed with the Annual Report. Whether or not you intend to be present at the AGM, you are requested to complete the form of proxy and return it to the Registrar in accordance with the instructions printed thereon as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM. Completion and return of the form of proxy will not preclude you from attending and voting at the AGM if you so wish.

LETTER FROM THE BOARD

EXPLANATORY STATEMENT

An explanatory statement required to be sent to the Shareholders under the GEM Listing Rules is attached herewith to provide the requisite information to you to make an informed decision in relation to the Repurchase Resolution.

PROCEDURE FOR DEMANDING A POLL

Pursuant to Article 66 of the Articles of Association, a resolution put to the vote of the meeting shall be decided on a show of hands unless voting by way of poll is required by the rules of the Stock Exchange or (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded by:

- (i) the chairman of such meeting;
- (ii) at least three members present in person or in the case of a member being a corporation by its duly authorised representative or by proxy for the time being entitled to vote at the meeting;
- (iii) a member or members present in person or in the case of a member being a corporation by its duly authorised representative or by proxy and representing not less than one-tenth of the total voting rights of all members having the right to vote at the meeting;
- (iv) a member or members present in person or in the case of a member being a corporation by its duly authorised representative or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right; or
- (v) if required by the rules of the Stock Exchange, by any Director or Directors who, individually or collectively, hold proxies in respect of shares representing five per cent. (5%) or more of the total voting rights at such meeting.

RE-ELECTION OF DIRECTORS

In accordance with Article 86(3) of the Articles of Association, Mr. Wu Hui will be subject to, and eligible for re-election at the AGM.

In accordance with Article 87 of the Articles of Association, Mr. Xiang Bing and Mr. Guo Wei will retire as Directors by rotation and being eligible, offer themselves for re-election at the AGM.

LETTER FROM THE BOARD

The biographical details and interests in Shares of the above-mentioned Directors to be re-elected at the AGM and their relationships with any directors, senior management, management shareholders, substantial shareholders, or controlling shareholders of the Company are provided in Appendix II.

RECOMMENDATION

The Directors are of the opinion that the proposed granting of the Share Issue Mandate and Repurchase Mandate, and the re-election of the Directors mentioned above are in the best interests of the Company and Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the AGM.

Yours faithfully,
By order of the Board
Guo Fansheng
Chief Executive Officer and Executive Director

This appendix serves as an explanatory statement as required to be sent to the Shareholders pursuant to Rule 13.08 of the GEM Listing Rules to provide the requisite information to you to make an informed decision in relation to the Repurchase Resolution proposed under the notice convening the AGM.

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 492,836,960 Shares. Subject to the passing of the Repurchase Resolution and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company will be allowed to repurchase a maximum of 49,283,696 Shares, representing 10% of the issued share capital of the Company during the Relevant Period.

REASONS FOR REPURCHASES

The Directors believe that the grant of the Repurchase Mandate is in the best interests of the Company and the Shareholders. Any repurchase thereunder may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or earnings per Share. The Repurchase Mandate will only be exercised when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

DIRECTORS AND CONNECTED PERSONS

As at the Latest Practicable Date, to the best of the knowledge of the Directors having made all reasonable enquires, none of the Directors and their respective associates have a present intention, in the event that the Repurchase Mandate is approved and exercised, to sell securities to the Company. No connected persons have notified the Company that they have a present intention to sell securities to the Company, or have undertaken not to do so, in the event that the Repurchase Mandate is approved and exercised.

FUNDING OF REPURCHASES

In repurchasing Shares, the Company will only apply funds legally available for such purpose in accordance with its Memorandum and Articles of Association, the laws of the Cayman Islands and the GEM Listing Rules. The Company will not purchase the Shares on GEM for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

There might be a material adverse impact on the working capital or gearing position of the Company as compared with the financial position of the Company as at 31st December 2007 (being the date of its latest published audited consolidated accounts) in the event that the repurchase of Shares were to be carried out in full at any time during the Relevant Period. However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

SHARE PRICES

The highest and lowest prices at which the Shares have been traded on GEM during each of the previous twelve months were as follows:

Month	Highest HK\$	Lowest HK\$
2007		
April	1.25	0.85
May	1.48	0.91
June	1.46	1.07
July	1.38	1.18
August	1.52	1.23
September	1.40	1.10
October	1.65	1.10
November	1.45	1.15
December	1.24	0.78
2008		
January	1.00	0.56
February	0.83	0.60
1st March 2008 up to the Latest Practicable Date	0.80	0.37

UNDERTAKING

The Directors have undertaken to the Stock Exchange that they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the GEM Listing Rules and the applicable laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates, have any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Mandate in the event that it is approved by the Shareholders at the AGM.

No other connected persons (as defined in the GEM Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so under the Repurchase Mandate in the event that it is approved by the Shareholders at the AGM.

THE HONG KONG CODE ON TAKEOVERS AND MERGERS

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeover Code. As a result, a Shareholder, or a group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeover Code.

As at the Latest Practicable Date, the following persons were interested in 5% or more of the issued share capital of the Company. In the event that the Repurchase Mandate is exercised in full, the interest of such persons will be increased to approximately the percentage set out in the last column as follows:

Name of substantial Shareholder	Class of Shares	Long position	Short position	Nature of Interests/ Holding capacity	Approximate percentage of Share Capital	Approximate Percentage of shareholding if the repurchase mandate is exercised in full (Note 1)
McCarthy Kent C.	Ordinary	111,220,000 (Note 2)	-	Interest in controlled corporation	22.57%	25.07%
McGovern Patrick J.	Ordinary	104,790,697 (Note 3)	-	Interest in controlled corporation	21.26%	23.63%
Zhou Quan	Ordinary	79,316,743 (Note 4)	-	Interest in controlled corporation	16.09%	17.88%
Guo Fansheng	Ordinary	64,088,863 (Note 5)	-	Beneficial Owner	13.00%	14.45%
Li Jianguang	Ordinary	40,000,384 (Note 6)	-	Interest in controlled corporation	8.12%	9.02%

Notes:

- Assuming no repurchase of any of the shares held by stated shareholders.
- Such interest in the Company comprises 8,782,000 shares, 88,026,659 shares, 8,869,000 shares and 5,542,341 shares owned by Jayhawk China Fund (Cayman), Ltd, Jayhawk Private Equity Fund, L.P., Buffalo Jayhawk China Fund and Jayhawk Private Equity Co-Invest Fund, L.P., respectively. The entire issued share capital of each of the abovementioned companies is owned by Mr. McCarthy.
- Such interest in the Company comprises 25,473,954 shares, 16,664,743 shares and 62,652,000 shares owned by IDG Technology Venture Investment, Inc., a wholly-owned subsidiary of International Data Group, Inc., the majority shareholder of which is Mr. Patrick McGovern, IDG Technology Venture Investments, L.P., a Delaware limited partnership controlled by IDG Technology Venture Investments, LLC, which is in turn jointly controlled by Mr. Patrick McGovern and Mr. Quan Zhou, and IDG Technology Venture Investment III, L.P., a Delaware limited partnership controlled by IDG Technology Venture Investment III, LLC, which is in turn jointly controlled by Mr. Patrick McGovern and Mr. Quan Zhou, respectively.
- Such interest in the Company comprises 16,664,743 shares and 62,652,000 shares owned by IDG Technology Venture Investments, L.P., a limited partnership controlled by IDG Technology Venture Investments, LLC, which is in turn jointly controlled by Mr. Patrick McGovern and Mr. Quan Zhou, and IDG Technology Venture Investment III, L.P., a Delaware limited partnership controlled by IDG Technology Venture Investment III, LLC, which is in turn jointly controlled by Mr. Patrick McGovern and Mr. Quan Zhou, respectively.
- The references to 64,088,863 shares of the Company relate to the same block of shares of the Company held by Mr. Guo.
- The references to 40,000,384 shares of the Company relate to the same block of shares of the Company held by Callister Trading Limited, the entire share capital of which is owned by Mr. Li.

The Directors will not repurchase the Shares on GEM if the repurchase would result in the number of the listed securities which are in the hands of the public falling below 25%, being the relevant minimum prescribed percentage for the Company as required by the Stock Exchange.

The Directors are not aware of any consequences which may arise under the Takeover Code as a result of any repurchases made under the Repurchase Mandate.

SHARE REPURCHASE MADE BY THE COMPANY

No purchase of Shares has been made by the Company during the previous six months up to the Latest Practicable Date.

Wu Hui, an executive director

Age 34

Qualification and Experience

Mr. Wu is an executive director and Chief Financial Officer of the Company. Mr. Wu joined the Group in May 2007 as the Chief Financial Officer. Mr. Wu has over 8 years senior financial management experiences in telecom, internet, and IT manufacturing industries. Prior to joining the group, he worked as the Chief Financial Officer of Lenovo Mobile, Director of Finance & Planning at Lenovo Group, Senior Finance Manager at Dell China, and Vice-president and Finance Controller at two prestigious venture capital invested companies. Mr. Wu graduated from the Beijing Foreign Studies University in 1997 with a bachelor's degree and got a Master of Science in Management from the University of Bath in 1999. He also studied the MBA at City University of Seattle and Certified Diploma in Accounting and Finance of ACCA. Mr. Wu has not held any directorship in other listed public companies in the past three years.

Length of Service

Mr. Wu was appointed as an executive director for a term of three years commencing from 22 October 2007, which may be terminated by either the Company or Mr. Wu by giving three months' written notice or otherwise in accordance with the terms of the director's service contract entered into between Mr. Wu and the Company. Pursuant to Article 86(3) of the Articles of Association of the Company, Mr. Wu will be subject to, and eligible for re-election at the AGM.

Relationship with other Directors, senior management, substantial or controlling shareholders

Mr. Wu does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholder of the Company.

Interests in Shares

As at the latest Practicable Date, Mr. Wu is deemed to be interested in a long position of 800,000 Shares under the SFO. Such interest is derived from the share options granted under the Share Option Scheme. The principal terms of the Share Option Scheme were summarised in the paragraph headed "Share Options" under the section headed "Statutory and general information" in Appendix V to the prospectus of the company dated 8th December, 2003. Save as disclosed above, Mr. Wu does not have any other interest in the securities of the Company within the meaning of Part XV of the SFO.

Amount of Emoluments

Under the service contract entered into between the Company and Mr. Wu, Mr. Wu is entitled to basic annual salaries of RMB540,000, which was determined with reference to his roles and responsibility and the prevailing market conditions, and discretionary bonus, which is determined with reference to his performance during the relevant period of time. Save for the said salary and discretionary bonus, Mr. Wu is not entitled to any other emolument for holding his office as an executive director of the Company.

Save as disclosed above, Mr. Wu and the Company are not aware of any other matter that needs to be brought to the attention of holders of securities of the Company pursuant to the GEM Listing Rules.

There is no information which is required to be disclosed under Rule 17.50(2)(h)-(v) of the GEM Listing Rules.

Xiang Bing, an independent non-executive director

Age 45

Qualification and Experience

Mr. Xiang is an independent non-executive Director of the Company. Mr. Xiang is currently the founding Dean and Professor of the Cheung Kong Graduate School of Business and a professor of the Guanghua School of Management of Peking University. He graduated from the University of Alberta with a MBA degree and subsequently obtained a doctorate degree. Mr. Xiang previously taught in the Hong Kong University of Science and Technology.

Mr. Xiang is also an independent non-executive director of LDK Solar Co., Ltd and E-House (China) Holdings Limited which are listed companies on New York Stock Exchange, Perfect World Co., Ltd, a NASDAQ listed company, Dan Form Holdings Company Limited, Jutal Offshore Oil Services Limited and China Dongxiang (Group) Co., Ltd., which are listed company on the Stock Exchange, TCL Corporation and Shenzhen Terca Technology Co., Ltd. which are listed companies on Shenzhen Stock Exchange. Save as disclosed above, Mr. Xiang has not held any directorship in other listed public companies in the past three years.

Length of Service

Mr. Xiang was appointed as an independent non-executive Director for an initial term of one year commencing from 8th March 2002, and will continue thereafter unless and until terminated by either the Company or Mr. Xiang by giving one month's written notice and such appointment is subject at all times to the Articles of Association. Pursuant to Article 87 of the Articles of Association, Mr. Xiang will retire at the AGM, at which he will, being eligible, offer himself for re-election and thereafter, be subject to retirement by rotation and re-election at annual general meetings of the Company.

Relationship with other Directors, senior management, substantial or controlling shareholders

Mr. Xiang does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholder of the Company.

Interests in Shares

Mr. Xiang does not have any interest in the securities of the Company within the meaning of Part XV of the SFO.

Amount of Emoluments

Mr. Xiang is entitled to annual salaries of RMB 80,000 for his directorship in the Company, which was determined with reference to his roles and responsibility, and the prevailing market conditions.

Save as disclosed above, Mr. Xiang and the Company are not aware of any other matter that needs to be brought to the attention of holders of securities of the Company pursuant to the GEM Listing Rules.

There is no information which is required to be disclosed under Rule 17.50(2)(h)-(v) of the GEM Listing Rules.

Guo Wei, an independent non-executive director

Age 44

Qualification and Experience

Mr. Guo is an independent non-executive Director of the Company. Mr. Guo is currently the Chairman, the President and Chief Executive Officer of Digital China Holdings Limited, a listed company on the Stock Exchange. Mr. Guo obtained a bachelor's degree in engineering management from Northeastern University, PRC in 1985 and subsequently graduated from the University of Science and Technology of China in 1988 with a master of science degree in management. He joined Lenovo Group in 1988 and has held different senior positions in Lenovo Group, including assistant president of Lenovo Group, deputy general manager of Lenovo Hong Kong and executive director of Lenovo Group. Save as disclosed above, Mr. Guo has not held any directorship in other listed public companies in the past three years.

Length of Service

Mr. Guo was appointed as an independent non-executive Director for an initial term of one year commencing from 8th March 2002, and will continue thereafter unless and until terminated by either the Company or Mr. Guo by giving one month's written notice and such appointment is subject at all times to the Articles of Association. Pursuant to Article 87 of the Articles of Association, Mr. Guo will retire at the AGM, at which he will, being eligible, offer himself for re-election and thereafter, be subject to retirement by rotation and re-election at annual general meetings of the Company.

Relationship with other Directors, senior management, substantial or controlling shareholders

Mr. Guo does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholder of the Company.

Interests in Shares

Mr. Guo does not have any interest in the securities of the Company within the meaning of Part XV of the SFO.

Amount of Emoluments

Mr. Guo is entitled to annual salaries of RMB 80,000 for his directorship in the Company, which was determined with reference to his roles and responsibility, and the prevailing market conditions.

Save as disclosed above, Mr. Guo and the Company are not aware of any other matter that needs to be brought to the attention of holders of securities of the Company pursuant to the GEM Listing Rules.

There is no information which is required to be disclosed under Rule 17.50(2)(h)-(v) of the GEM Listing Rules.