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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 of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.



*20 years, young HC!*

**HC INTERNATIONAL, INC.**

**慧聪网有限公司\***

*(incorporated in the Cayman Islands with limited liability)*

**(Stock code: 8292)**

**RENEWAL OF 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, Jingyi Technical Building, No.9 Dazhongsi East Road, Haidian District, Beijing, the PRC (100098) on Friday, 4th May 2012, at 4:00 p.m. (the “AGM”) is set out on pages 19 to 23 of this circular.

Whether or not you intend to attend the AGM, you are requested to complete the enclosed form of proxy and return the same to the Company’s Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, 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 or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting at the AGM or any adjournment thereof (as the case may be) thereof if you so wish.

This circular will remain on the GEM website at [www.hkgem.com](http://www.hkgem.com) on the “Latest Company Announcements” page for at least 7 days from the date of its posting.

\* *For identification purposes only*

30th March 2012

## **CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET**

### **CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. 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.

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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 2011 to be held at Tower B, Jingyi Technical Building, No.9 Dazhongsi East Road, Haidian District, Beijing, the PRC (100098) on 4th May 2012 at 4:00 p.m. or any adjournment thereof
“AGM Notice”	the notice convening the AGM set out on pages 19 to 23 of this circular
“Articles of Association”	the articles of association of the Company, adopted on 30th November 2003 and as amended from time to time
“associate(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Board”	the board of Directors
“Company”	HC International, Inc., a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on GEM
“Director(s)”	director(s) of the Company
“GEM”	The Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all power of the Company to allot, issue and otherwise deal with Shares of up to 20% of the issued share capital of the Company on the date of the AGM, as set out in resolution number 4(A) in the AGM Notice
“Latest Practicable Date”	22nd March 2012, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein

## DEFINITIONS

“Registrar”	the branch share registrar and transfer office of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Room 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong
“Repurchase Mandate”	a general and unconditional mandate proposed to be granted to the Directors to exercise all powers of the Company to repurchase Shares of up to 10% of the issued share capital of the Company on the date of AGM, as set out in resolution number 4(B) in the AGM Notice
“Repurchase Resolution”	the proposed ordinary resolution in the terms set out in resolution number 4(B) in the AGM Notice
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of nominal value of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

LETTER FROM THE BOARD



20 years, young HC!

**HC INTERNATIONAL, INC.**

**慧聪网有限公司\***

*(incorporated in the Cayman Islands with limited liability)*

**(Stock code: 8292)**

*Executive Directors:*

Guo Fansheng (Chairman)

Guo Jiang (Chief Executive Officer)

Guo Bingbing

*Non-executive Directors:*

Li Jianguang

Guo Wei

*Independent Non-executive Directors:*

Zhang Ke

Xiang Bing

Lee Wee Ong

Zhang Tim Tianwei

*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

Jingyi Technical Building

No.9 Dazhongsi East Road

Haidian District

Beijing

The People's Republic of China

30th March 2012

*To the Shareholders*

Dear Sir or Madam,

**RENEWAL OF 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 Directors in accordance with the Articles of Association, and to give you the notice of the AGM.

\* For identification purposes only

## LETTER FROM THE BOARD

### GENERAL MANDATE TO ISSUE SHARES

The Company's existing mandate to issue Shares was approved by its then Shareholders on 13th May 2011. Unless otherwise renewed, the existing mandate to issue Shares will lapse at the conclusion of the AGM.

At the AGM, an ordinary resolution will be proposed to grant to the Directors new general and unconditional mandate to allot, issue and otherwise deal with Shares of up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the proposed resolution.

In addition, a separate ordinary resolution will be proposed at the AGM to add to the Issue Mandate those Shares repurchased by the Company pursuant to the Repurchase Mandate (if so granted to the Directors at the AGM).

The Issue Mandate allows the Company to allot, issue and otherwise 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 the laws of the Cayman Islands; 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 546,315,645 Shares. Subject to the passing of the relevant resolution to approve the Issue Mandate and on the basis that no further Shares are allotted and issued or repurchased prior to the date of the AGM, the Directors would be authorised to allot, issue and otherwise deal with a maximum of 109,263,129 new Shares under the Issue Mandate, representing 20% of the aggregate nominal amount of the share capital of the Company as at the date of the AGM.

### GENERAL MANDATE TO REPURCHASE SHARES

The Company's existing mandate to repurchase Shares was approved by it then Shareholders on 13th May 2011. Unless otherwise renewed, the existing mandate to repurchase Shares will lapse at the conclusion of the AGM.

At the AGM, an ordinary resolution will be proposed to grant to the Directors new general and unconditional mandate to repurchase Shares of up to 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the proposed resolution. 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 546,315,645 Shares. Subject to the passing of the Repurchase Resolution and on the basis that no further Shares are allotted and issued or repurchased prior to the date of the AGM, the Company would be allowed to repurchase a maximum of 54,631,564 Shares under the Repurchase Mandate, representing approximately 10% of the aggregate nominal amount of the share capital of the Company as at the date of the AGM.

## LETTER FROM THE BOARD

An explanatory statement required to be sent to the Shareholders under the GEM Listing Rules is set out in Appendix I to this circular to provide the requisite information regarding the Repurchase Mandate to the Shareholders.

### RE-ELECTION OF DIRECTORS

Mr. Lee Wee Ong was appointed as an independent non-executive Director on 9th September 2011 and Mr. Zhang Tim Tianwei was appointed as an independent non-executive Director on 1st November 2011. In accordance with Article 86(3) of the Articles of Association, Mr. Lee Wee Ong and Mr. Zhang Tim Tianwei will retire from the office as Directors at the AGM, and being eligible, Mr. Lee Wee Ong and Mr. Zhang Tim Tianwei offer themselves for re-election at the AGM.

In accordance with Article 87 of the Articles of Association, Mr. Li Jianguang and Mr. Guo Jiang, each being a non-executive Director and an executive Director, will retire from office as Directors by rotation and being eligible, each of Mr. Li Jianguang and Mr. Guo Jiang offer himself for re-election at the AGM.

Each of Mr. Zhang Ke and Dr. Xiang Bing, has been serving as an independent non-executive Directors for more than nine years. In compliance with Code A.4.3 of the Code on Corporate Governance which will come into effect on 1st April 2012, each of Mr. Zhang Ke and Dr. Xiang Bing offered themselves for re-election at the AGM for a term until the conclusion of the annual general meeting of the Company for the year ending 31st December 2014.

Mr. Guo Wei, who was re-designated as a non-executive Director on 10th June 2011 also offered himself for re-election at the AGM.

The particulars of the above-mentioned Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

### ANNUAL GENERAL MEETING

The notice convening the AGM to be held at Tower B, Jingyi Technical Building, No.9 Dazhongsi East Road, Haidian District, Beijing, the PRC (100098) on 4th May 2012 at 4:00 p.m. is set out on pages 19 to 23 of this circular.

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of Shareholders at a general meeting must be taken by poll.

Whether or not you intend to attend the AGM, you are requested to complete the enclosed 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 or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof (as the case may be) if you so wish.



## LETTER FROM THE BOARD

### RECOMMENDATION

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

Yours faithfully,  
By Order of the Board  
**Guo Jiang**  
*Chief Executive Officer and Executive Director*

This appendix serves as an explanatory statement required to be sent to the Shareholders pursuant to Rule 13.08 of the GEM Listing Rules to provide the requisite information regarding the Repurchase Mandate to the Shareholders.

**SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 546,315,645 Shares. Subject to the passing of the relevant resolution to approve the Repurchase Mandate and on the basis that no further Shares are allotted and issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company will be allowed to repurchase a maximum of 54,631,564 Shares during the Relevant Period.

**REASONS FOR REPURCHASES**

The Directors believe that it is in the best interests of the Company and the Shareholders to have general authority from the Shareholders to enable the Directors to repurchase Shares on a stock exchange. Such repurchase may, depending on market conditions and funding arrangements at the relevant time, lead to an enhancement of the net asset value and/or earnings per Share of the Company. The Repurchase Mandate will only be exercised when the Directors believe that such repurchase(s) will benefit the Company and the Shareholders.

**DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS**

To the best of the knowledge and belief of the Directors having made all reasonable enquiries, none of the Directors and their respective associates has a present intention, in the event that the Repurchase Mandate is approved and exercised, to sell any securities of the Company to the Company. No connected person of the Company has notified the Company that it has a present intention to sell any securities of the Company to the Company, or has 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 purposes, being distributable profit of the Company or proceeds of a fresh issue of Shares made for such purpose in accordance with its Memorandum and Articles of Association of the Company and the laws of the Cayman Islands. 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 2011 (being the date of its latest published audited consolidated accounts) in the event that the proposed 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 and up to the Latest Practicable Date were as follows:

<b>Month</b>	<b>Highest HK\$</b>	<b>Lowest HK\$</b>
<b>2011</b>		
April	2.00	1.30
May	1.70	1.37
June	2.20	1.44
July	1.92	1.53
August	2.00	1.60
September	1.65	1.40
October	1.65	1.35
November	1.62	1.30
December	1.90	1.45
<b>2012</b>		
January	2.08	1.79
February	2.10	1.80
March (up to the Latest Practicable Date)	2.07	1.88

## UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, 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.

## EFFECT OF THE TAKEOVERS CODE

If as a result of a repurchase of 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 the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert (as defined in the Takeovers Code), depending on the level of increase of the shareholder's interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 of the Takeovers 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	Nature of Interests/ Holding capacity	Approximate percentage of Shareholding	
				As at the Latest Practicable Date	If the Repurchase Mandate is exercised in full (Note 1)
Kent C. McCarthy	Ordinary	89,740,000 (Note 2)	Interests in controlled corporations	16.43%	18.25%
Patrick J. McGovern	Ordinary	78,730,697 (Note 3)	Interests in controlled corporations	14.41%	16.01%
Guo Jiang	Ordinary	71,849,771 (Note 4)	Beneficial owner and family interests	13.15%	14.61%
Geng Yi	Ordinary	71,849,771 (Note 5)	Beneficial owner and family interests	13.15%	14.61%
Guo Fansheng	Ordinary	69,749,015	Beneficial owner	12.77%	14.19%
Digital China Holdings Limited	Ordinary	53,809,685 (Note 6)	Interests in controlled corporation	9.85%	10.94%
Zhou Quan	Ordinary	53,256,743 (Note 7)	Interests in controlled corporations	9.75%	10.83%
Li Jianguang	Ordinary	40,000,384 (Note 8)	Interests in a controlled corporation	7.32%	8.14%

Notes:

1. Assuming no repurchase of any of the Shares held by stated Shareholders.
2. The reference to 89,740,000 Shares comprises 84,533,055 Shares and 5,206,945 Shares held by Jayhawk Private Equity Fund, L.P. and Jayhawk Private Equity Co-Invest Fund, L.P. respectively. The entire issued share capital of each of the abovementioned entities is owned by Mr. Kent C. McCarthy.

3. The reference to 78,730,697 Shares comprised (i) 25,473,954 Shares, (ii) 16,664,743 Shares and (iii) 36,592,000 Shares owned by (i) IDG Technology Venture Investment, Inc., a wholly-owned subsidiary of International Data Group, Inc., which is owned as to approximately 33.33% by Mr. Patrick J. McGovern, (ii) IDG Technology Venture Investments, L.P., a limited partnership controlled by IDG Technology Venture Investments, LLC, which is jointly controlled by Mr. Patrick J. McGovern and Mr. Zhou Quan, and (iii) IDG Technology Venture Investment III, L.P., a limited partnership controlled by IDG Technology Venture Investment III, LLC, which is jointly controlled by Mr. Patrick J. McGovern and Mr. Zhou Quan, respectively.
4. Such interest in the Company comprised: (a) 54,915,771 Shares of which 4,850,625 Shares are held by Ms. Geng Yi, Mr. Guo Jiang's spouse; and (b) 16,934,000 underlying shares derived from the share options granted under the Share Option Scheme of which 5,934,000 underlying shares of the Company derived from the share options granted to Ms. Geng Yi under the Share Option Scheme of the Company.

Mr. Guo is deemed, or taken to have, interested in the Shares and underlying shares of the Company held by Ms. Geng Yi pursuant to the SFO.

5. Such interest in the Company comprises: (a) 54,915,771 Shares of which 50,065,146 Shares are held by Mr. Guo Jiang, who is Ms. Geng Yi's spouse; and (b) 16,934,000 underlying shares derived from the share options granted under the Share Option Scheme of which 11,000,000 underlying shares of the Company derived from the share options granted to Mr. Guo Jiang under the Share Option Scheme of the Company.

Ms. Geng is deemed, or taken to have, interested in the Shares and underlying shares of the Company held by Mr. Guo Jiang pursuant to the SFO.

6. The references to 53,809,685 Shares held by the Talent Gain Developments Limited, a wholly-owned subsidiary of Digital China (BVI) limited, which is a wholly-owned subsidiary of Digital China Holdings Limited.
7. The reference to 53,256,743 Shares comprises (i) 16,664,743 Shares and (ii) 36,592,000 Shares owned by (i) IDG Technology Venture Investments, L.P., a limited partnership controlled by IDG Technology Venture Investments, LLC, which is jointly controlled by Mr. Patrick J. McGovern and Mr. Zhou Quan, and (ii) IDG Technology Venture Investment III, L.P., a limited partnership controlled by IDG Technology Venture Investment III, LLC, which is jointly controlled by Mr. Patrick J. McGovern and Mr. Zhou Quan, respectively.
8. The references to 40,000,384 Shares relate to the same block of Shares held by Callister Trading Limited, the entire share capital of which is owned by Mr. Li Jianguang. Mr. Li Jianguang is deemed, or taken to have, interested in all the 40,000,384 Shares pursuant to the SFO.

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 Takeovers Code as a result of any repurchases made under the Repurchase Mandate.

#### SHARE REPURCHASES MADE BY THE COMPANY

The Company has not purchased any of its securities (whether on the Stock Exchange or otherwise) during the six months preceding the Latest Practicable Date.

Set out below are details of the Directors who will retire at the conclusion of the AGM and will be proposed to be re-elected at the AGM:

**Mr. Guo Jiang (郭江), an executive Director**

Aged 38

*Qualification and Experience*

Mr. Guo is an executive Director and the chief executive officer of the Company. Mr. Guo joined the Group in 1996 as a sale manager and became the chief executive officer of the Group in 2008 and is responsible for overseeing the operations of the Group. Prior to that, Mr. Guo spent two years at the Broadcasting Science Institute of the State Administration of Radio, Film and Television as an assistant to director. Mr. Guo graduated from the Harbin University of Commerce 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 in 2002.

Save as disclosed above, Mr. Guo has not hold any directorship in other listed public company in the past three years prior to the Latest Practicable Date.

*Length of Service*

Mr. Guo was appointed as an executive Director for a term of three years, which may be terminated by either the Company or Mr. Guo by giving three months' written notice or otherwise in accordance with the terms of the director's service contract entered into between Mr. Guo and the Company. Pursuant to Article 87 of the Articles of Association, Mr. Guo will be subject to, and be eligible for re-election at the AGM.

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

Save and except being the nephew of Mr. Guo Fansheng, who is also an executive Director and being the spouse of Ms. Geng Yi, who is a senior management of the Company, Mr. Guo does not have any relationship with any other directors, senior management, management shareholders, substantial or controlling shareholders of the Company.

*Interests in Shares*

As at the Latest Practicable Date, Mr. Guo was deemed to be interested in 54,915,771 Shares under the SFO, of which 16,934,000 Shares were derived from the share options granted under the Share Option Scheme of the Company. The principal terms of the Share Option Scheme of the Company 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. Guo did not have any other interest in the securities of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

*Amount of Emoluments*

Under the service contract entered into between the Company and Mr. Guo, Mr. Guo is entitled to basic annual salaries of RMB600,000, 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. Guo is not entitled to any other emolument for holding his office as an executive Director.

**Mr. Li Jianguang (李建光), a non-executive Director**  
Aged 46

*Qualification and Experience*

Mr. Li is a non-executive Director. Mr. Li is the vice-president of IDG Technology Venture Investment, Inc. ("IDG"), a substantial shareholder of the Company. Mr. Li is also a member of IDG Technology Venture Investments, LLC, which is the general partner of IDG Technology Venture Investments, LP. Mr. Li is responsible for the investment management of IDG's China-related early funds and IDG-Accel China Growth Fund. Prior to that, Mr. Li worked in Crosby Asset Management Limited as an investment manager. Mr. Li graduated from Peking University in 1987 with a bachelor's degree in economics and attained a master degree from Guelph University in Canada in 1994. Mr. Li has been serving as a non-executive Director since August 2006.

Save as disclosed above, Mr. Li has not hold any directorship in other listed public company in the past three years prior to the Latest Practicable Date.

*Length of Service*

Mr. Li was appointed as a non-executive Director on 1st August 2006. Pursuant to Article 87 of the Articles of Association, Mr. Li will be subject to, and be eligible for re-election at the AGM.

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

Save as disclosed above, Mr. Li 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. Li was deemed to be interested in 40,000,384 Shares under the SFO. Such interest is derived from the his shareholdings in Callister Trading Limited, the entire share capital of which is owned by Mr. Li. Save as disclosed above, Mr. Guo did not have any other interest in the securities of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

*Amount of Emoluments*

Mr. Li is not entitled to any emolument for holding his office as a non-executive Director.

**Guo Wei (郭為), a non-executive Director**

Aged 48

*Qualification and Experience*

Mr. Guo is a non-executive Director. Mr. Guo is currently the chairman and executive director of Digital China Holdings Limited (stock code: 861), whose shares are listed on the Stock Exchange. Mr. Guo obtained a master degree from the Graduate School of the Chinese Academy of Science (formerly known as Graduate School of the University of Science and Technology of China) in 1988. He joined the Legend Group in 1988 and was once an executive director and senior vice president of the same.

He is currently a member of the 11th National Committee of the Chinese People's Political Consultative Conference, member of the Advisory Committee for State Informatization, president of Beijing Informatization Organization.

Mr. Guo is currently an independent non-executive director of Shanghai Pudong Development Bank Co., Ltd (stock code: 600000), whose shares are listed on the Shanghai Stock Exchange.

Save as disclosed above, Mr. Guo has not held any directorship in other listed public company in the past three years prior to the Latest Practicable Date.

*Length of Service*

Mr. Guo was first appointed on 8th March 2002 as an independent non-executive Director and was re-designated on 10th June 2011 as a non-executive Director.

*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*

Save as disclosed above, Mr. Guo did not have any interest in the securities of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

*Amount of Emoluments*

Mr. Guo is not entitled to any emolument for holding his office as a non-executive Director.



**Zhang Ke (張克), an independent non-executive Director**

Aged 58

*Qualification and Experience*

Mr. Zhang is an independent non-executive Director. Mr. Zhang is a certified public accountant in the PRC and is currently the chairman and chief partner of ShineWing Certified Public Accountants. He graduated from Renmin University of China in 1982 with a bachelor degree in economics majoring in industry economics. He has about 30 years of experience in the fields of economics, accounting and finance. Mr. Zhang is currently a vice-president of the Chinese Institute of Certified Public Accountants, a councillor of the Internal Control Standard Committee of the Ministry of Finance, a councillor of the Certified Public Accountants Examination Committee of the Ministry of Finance and a vice president of Beijing Association of Forensic Science.

Mr. Zhang is an independent non-executive director of China Coal Energy Company (stock code: 601898), whose shares are listed on the Shanghai Stock Exchange. Mr. Zhang is also an independent non-executive director of SEEC Media Group Limited, whose shares are listed on the Stock Exchange, an independent director of E-Commerce China Dangdang Inc., whose shares are listed on the New York Stock Exchange, an independent non-executive director of Guiyang Longmaster Information & Technology Co., Ltd (貴陽朗瑪信息技術股份有限公司), whose shares are listed on the Shenzhen Stock Exchange. Up to 28th October 2010, he was also an independent non-executive director of Air China Limited, whose shares are listed on the Stock Exchange.

Save as disclosed above, Mr. Zhang has not held any directorship in other listed public companies in the past three years prior to the Latest Practicable Date.

*Length of Service*

Mr. Zhang was appointed as an independent non-executive Director for an initial term of one year, and will continue thereafter unless and until terminated by either the Company or Mr. Zhang by giving one month's written notice and such appointment is subject at all times to the Articles of Association. Although Mr. Zhang has served the Company as independent non-executive Director for more than nine years, Mr. Zhang meets the independent guidelines set out in Rule 5.09 of the GEM Listing Rules, and the Board is of the view that his independence is not affected by his long service with the Company. Hence, the Board considered Mr. Zhang as independent and should be re-elected at the AGM.

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

Save as disclosed above, Mr. Zhang does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

*Interests in Shares*

Mr. Zhang did not have any other interest in the securities of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

*Amount of Emoluments*

Under the service contract entered into between the Company and Mr. Zhang, he is entitled to receive a remuneration of RMB100,000 per annum which is determined with reference to his duties, responsibility and experience, and to prevailing market conditions.

**Xiang Bing (項兵), an independent non-executive Director**

Aged 49

*Qualification and Experience*

Dr. Xiang is an independent non-executive Director. Dr. Xiang graduated from the University of Alberta with a doctorate degree and 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 Beijing University. Prior to these, Dr. Xiang taught in the Hong Kong University of Science and Technology.

Dr. Xiang is currently an independent non-executive director of China Dongxiang (Group) Co., Ltd. (stock code: 3818), Dan Form Holdings Company Limited (Stock Code: 271), Enerchina Holdings Limited (stock code: 622), Sinolink Worldwide Holdings Limited (stock code: 1168), Longfor Properties Co. Ltd. (stock code: 960), and Peak Sport Products Co., Limited (stock code: 1968), all of which shares are listed on the Stock Exchange. Dr. Xiang is also an independent non-executive director of LDK Solar Co., Ltd and E-House (China) Holdings Limited, both of which shares are listed on New York Stock Exchange; an independent non-executive director of Perfect World Co., Ltd, whose shares are listed on NASDAQ; an independent non-executive director of Yunnan Baiyao Group Co., Ltd. (Stock Code: 538) and Shanxi Qinchuan Machine Development Co., Ltd. (陝西秦川機械發展股份有限公司), all of which shares are listed on the Shenzhen Stock Exchange.

He was also an independent non-executive director of Little Sheep Group Limited (Stock Code: 968), whose shares are listed on Stock Exchange up to 1st February 2012 and an independent non-executive director of Shenzhen Terca Technology Co., Ltd. (stock code: 2213), whose shares are listed on the Shenzhen Stock Exchange, up to 29th November 2009, respectively.

Save as disclosed above, Dr. Xiang has not held any directorship in the any listed public companies in the past three years prior to the Latest Practicable Date.

*Length of Service*

Dr. Xiang was appointed as an independent non-executive Director for an initial term of one year, and will continue thereafter unless and until terminated by either the Company or Dr. Xiang by giving one month's written notice and such appointment is subject at all times to the Articles of Association. Although Dr. Xiang has served the Company as independent non-executive Director for more than nine years, Dr. Xiang meets the independent guidelines set out in Rule 5.09 of the GEM Listing Rules, and the Board is of the view that his independence is not affected by his long service with the Company. Hence, the Board considered Dr. Xiang as independent and should be re-elected at the AGM.

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

Save as disclosed above, Dr. Xiang does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholder of the Company.

*Interests in Shares*

Dr. Xiang did not have any interest in the securities of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

*Amount of Emoluments*

Under the service contract entered into between the Company and Dr. Xiang, Dr. Xiang is entitled to receive a remuneration of RMB100,000 per annum which is determined with reference to his duties, responsibility and experience, and to prevailing market conditions.

**LEE Wee Ong, an independent non-executive Director**

Aged 42

*Qualification and Experience*

Mr. Lee (also known as Mr. Alex Lee) is an independent non-executive Director. Mr. Lee graduated from the Northern University of Malaysia with a bachelor degree in accounting in 1993. Mr. Lee spent 6 years with Colonial First State Investments Group and Hambros Australia as a fund manager and was seconded to CMG CH China Funds Management. Mr. Lee had been the chief financial officer of the Company, and subsequently the chief strategy officer of the Company from 2000 to 2006. Mr. Lee is the founder and is now the chief executive officer of AlexCybot (Beijing) Technology Company Limited (亞力賽博(北京)科技有限公司), while holding directorship in MultiVision (Beijing) Technology Company Limited (卯泰維視(北京)科技有限公司) and Beijing WaterCompass Digital GIS Technology Company Limited (北京水羅盤數字地理信息科技有限公司).

Save as disclosed above, Mr. Lee did not hold any directorship in other listed public company in the past three years prior to the Latest Practicable Date.

*Length of Service*

Mr. Lee has been appointed as an independent non-executive director for a term of one year, which shall automatically be renewed thereafter until terminated by at least one month's written notice served by either party in accordance with the terms of the director's service contract entered between Mr. Lee and the Company. Pursuant to Article 86(3) of the Articles of Association, Mr. Lee will be subject to retirement, and be eligible to offer himself for re-election at the AGM.

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

Save as disclosed above, Mr. Lee 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. Lee was interested in 100,672 Shares representing approximately 0.018% of the issued share capital of the Company. Save as disclosed above, Mr. Lee did not have any other interest in the securities of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

*Amount of Emoluments*

Under the service contract entered into between the Company and Mr. Lee, Mr. Lee is entitled to receive a remuneration of RMB100,000 per annum which is determined with reference to his duties, responsibility and experience, and to prevailing market conditions.

**ZHANG Tim Tianwei (張天偉), an independent non-executive Director**

Aged 48

*Qualification and Experience*

Mr. Zhang is an independent non-executive Director, Mr. Zhang graduated from Tsinghua University (清華大學) at the Faculty of Precision Instruments & Mechanology in July 1986. He is a Master of Economics from the Chinese Academy of Social Sciences (中國社會科學院) and a Master of Business Administration (MBA) from the The University of Chicago Booth School of Business. Mr. Zhang has over 20 years of experience in financial and business management. He was the founder and managing director of Taconic Capital Ltd. from September 2003 to September 2005. He acted as the vice-chairman and general manager of Unicredit China Capital Limited from September 2005 to June 2007. He served as the managing director of J.P. Morgan Securities (Asia Pacific) from July 2007 to Oct 2011 and acted as the chairman of J.P. Morgan (China) Venture Capital Investment Co. Ltd. since its foundation in 2010 to Oct 2011. Mr. Zhang is the managing director of Taconic Capital Group since November 2011.

*Length of Service*

Mr. Zhang was appointed as an independent non-executive director for a term of one year, which shall automatically be renewed thereafter until terminated by at least one month's written notice served by either party in accordance with the terms of the director's service contract entered into between Mr. Zhang and the Company. Pursuant to Article 86(3) of the Articles of Association, Mr. Zhang will be subject to, and be eligible to offer himself for re-election at the AGM.

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

Save as disclosed above, Mr. Zhang does not have any relationship with any Directors, senior management, substantial shareholders or controlling shareholder of the Company.

*Interests in Shares*

Mr. Zhang did not have any other interest in the securities of the Company within the meaning of Part XV of the SFO as at the Latest Practicable Date.

*Amount of Emoluments*

Under the service contract entered into between the Company and Mr. Zhang, Mr. Zhang is entitled to receive a remuneration of RMB100,000 per annum which is determined with reference to his duties, responsibility and experience, and to prevailing market conditions.

Save as disclosed above, there are no other matter relating to the re-election that needs to be brought to the attention of the Shareholders pursuant to the GEM Listing Rules, nor there is any other information which is required to be disclosed under Rule 17.50(2)(h) to (v) of the GEM Listing Rules.

## NOTICE OF THE AGM



20 years, young HC!

### HC INTERNATIONAL, INC.

慧聪网有限公司\*

*(incorporated in the Cayman Islands with limited liability)*

**(Stock code: 8292)**

**NOTICE IS HEREBY GIVEN THAT** the annual general meeting of the members of HC International, Inc. (the “Company”) will be held at Tower B, Jingyi Technical Building, No. 9 Dazhongsi East Road, Haidian District, Beijing, the PRC (100098) on 4th May 2012 Friday at 4:00 p.m. for the following purposes:

#### ORDINARY RESOLUTIONS

1. To receive and consider the audited financial statements and the reports of the directors and auditors of the Company and its subsidiaries for the year ended 31st December 2011.
2. To re-appoint PricewaterhouseCoopers as the auditors of the Company and the board of directors of the Company be authorised to fix their remuneration.
3.
  - (a) Mr. Guo Jiang be re-elected as an executive director of the Company and the board of directors of the Company be authorised to fix his remuneration;
  - (b) Mr. Li Jianguang be re-elected as an executive director of the Company and the board of directors of the Company be authorised to fix his remuneration;
  - (c) Mr. Guo Wei be re-elected as a non-executive director of the Company and the board of directors of the Company be authorised to fix his remuneration;
  - (d) Mr. Zhang Ke be re-elected as an independent non-executive director of the Company and the board of directors of the Company be authorised to fix his remuneration;
  - (e) Dr. Xiang Bing be re-elected as an independent non-executive director of the Company and the board of directors of the Company be authorised to fix his remuneration;
  - (f) Mr. Lee Wee Ong be re-elected as an independent non-executive director of the Company and the board of directors of the Company be authorised to fix his remuneration; and

\* For identification purposes only

## NOTICE OF THE AGM

- (g) Mr. Zhang Tim Tianwei be re-elected as an independent non-executive director of the Company and the board of directors of the Company be authorised to fix his remuneration.

4. (A) **“THAT:**

- (i) subject to paragraph (iii) of this resolution, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares or securities convertible into shares in the capital of the Company and to make or grant offers, agreements and options (including but not limited to warrants, bonds, debentures and other securities convertible into shares of the Company) which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (ii) the Directors be and are hereby authorised during the Relevant Period to make or grant offers, agreements and options (including but not limited to warrants, bonds, debentures and other securities convertible into shares of the Company) which might or would require the exercise of such powers (including but not limited to the power to allot, issue and deal with additional shares in the capital of the Company) during or after the end of the Relevant Period;
- (iii) the aggregate nominal amount of share capital allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to an options or otherwise) by the Directors pursuant to the approval in paragraphs (i) and (ii) of this resolution, otherwise than pursuant to (a) a Rights Issue (as hereinafter defined); or (b) the exercise of any option granted under the share option scheme or similar arrangement of the Company for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to subscribe for shares of the Company; or (c) any scrip dividend or similar arrangement providing for the allotment of shares of the Company in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company in force from time to time, shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue at the time of passing this resolution and the said approval shall be limited accordingly; and

## NOTICE OF THE AGM

- (iv) for the purpose of this resolution,

“Relevant Period” means the period from the date of passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the laws of the Cayman Islands or the articles of association of the Company to be held; and
- (c) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares open for a period fixed by the Directors to holders of shares on the register of members on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognised regulatory body or any stock exchange).”

- (B) “THAT:

- (i) subject to paragraph (iii) of this resolution, the exercise by the directors of the Company (the “Directors”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase issued shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchange on which the shares of the Company may be listed and which are recognized for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange, and that the exercise by the Directors of all powers of the Company to repurchase such shares are subject to and in accordance with all applicable laws and/or the requirements of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) of this resolution above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to repurchase its shares at a price determined by the Directors;



## NOTICE OF THE AGM

- (iii) the aggregate nominal amount of share capital of the Company repurchased or agreed conditionally or unconditionally to be repurchased by the Company pursuant to the approval in paragraph (i) of this resolution during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution and the said approval shall be limited accordingly; and
- (iv) for the purpose of this resolution,

“Relevant Period” means the period from the date of passing of this resolution until whichever is the earliest of:

  - (a) the conclusion of the next annual general meeting of the Company;
  - (b) the expiration of the period within which the next annual general meeting of the Company is required by the laws of the Cayman Islands or the articles of association of the Company to be held; and
  - (c) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”
- (C) “**THAT** conditional upon the passing of resolutions numbered 4(A) and 4(B) as set out in the notice convening this meeting of which this resolution forms part, the general mandate granted to the directors of the Company pursuant to resolution numbered 4(A) as set out in this notice convening this meeting of which this resolution forms part be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of share capital of the Company repurchased by the Company under the authority granted pursuant to resolution numbered 4(B) as set out in this notice convening this meeting of which this resolution forms part, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution.”

By Order of the Board  
**HC INTERNATIONAL, NC.**  
**Guo Jiang**  
*Chief Executive Officer and Executive Director*

Beijing, PRC, 30th March 2012

## NOTICE OF THE AGM

*Notes:*

1. Any member of the Company entitled to attend and vote at the Meeting shall be entitled to appoint another person as his/ her proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the Meeting. A proxy need not be a member of the Company. On a poll, votes may be given either personally or by proxy.
2. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same.
3. To be valid, the instrument appointing a proxy and (if required by the Board) the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be delivered to the office of the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the Meeting (or any adjournment thereof).
4. No instrument appointing a proxy shall be valid after expiration of 12 months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at the Meeting or any adjournment thereof in cases where the Meeting was originally held within 12 months from such date.
5. Where there are joint holders of any shares, any one of such joint holders may vote at the Meeting, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at the Meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose, seniority shall be determined by the order in which the names stand in the Register of Members of the Company in respect of the joint holding.
6. Completion and delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the Meeting if the member so wish and in such event, the instrument appointing a proxy should be deemed to be revoked.
7. An explanatory statement containing the information necessary to enable the members to make an informed decision as to whether to vote for or against the ordinary resolution no. 4(B) as set out in this notice is enclosed.
8. The transfer books and Register of Members of the Company will be closed from 30th April 2012 to 4th May 2012, both days inclusive. During such period, no share transfers will be effected. In order to qualify for attending the Meeting, all transfer documents, accompanied by the relevant share certificates, must be lodged with the office of the Hong Kong branch share registrar and transfer office of the Company, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on 27th April 2012.
9. Details of Mr. Guo Jiang, Mr. Li Jianguang, Mr. Guo Wei, Mr. Zhang Ke, Dr. Xiang Bing, Mr. Lee Wee Ong and Mr. Zhang Tim Tianwei, proposed to be re-elected as directors of the Company at the Meeting are set out in Appendix II to this circular.
10. A form of proxy for use at the Meeting is enclosed.