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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: 8292)

COMPLETION OF PLACING OF EXISTING SHARES AND SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that the Placing and the Subscription were completed on 2 October 2013 and 7 October 2013, respectively, in accordance with the terms and conditions of the Placing and Subscription Agreement.

Reference is made to the announcement of HC International, Inc. (the “Company”) dated 27 September 2013 in relation to, among other things, placing of existing shares and subscription of new shares under general mandate (the “Announcement”). Unless the context otherwise requires, capitalised terms used in this announcement shall have the same meanings as defined in the Announcement.

The Board is pleased to announce that the Placing and the Subscription were completed on 2 October 2013 and 7 October 2013, respectively in accordance with the terms and conditions of the Placing and Subscription Agreement.

In respect of the Placing, a total of 72,000,000 existing Placing Shares have been successfully placed by the Placing Agents to not less than six Placees at the Placing Price of HK\$7.50 per Share. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the Placees and, where applicable, their ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons. In respect of the Subscription, a total of 72,000,000 new Subscription Shares have been issued and allotted to Mr. Guo Fansheng and Mr. Guo Jiang at the Subscription Price of HK\$7.50 per Share. The net proceeds from the Subscription amount to approximately HK\$520,000,000.

* *For identification purposes only*

Set out below is the shareholding structure of the Company immediately before and after completion of the Subscription:

Name of Shareholder	Shareholding immediately before completion of the Placing		Shareholding immediately before completion of the Subscription		Shareholding immediately after completion of the Subscription	
	Number of Shares	% of shareholding (approximate)	Number of Shares	% of shareholding (approximate)	Number of Shares	% of shareholding (approximate)
<i>Directors and their associate(s)</i>						
Guo Jiang and his spouse	58,198,771	10.01%	21,198,771	3.65%	58,198,771	8.91%
Guo Fansheng	57,749,015	9.93%	22,749,015	3.91%	57,749,015	8.84%
Callister Trading Limited (Note 1)	32,000,384	5.50%	32,000,384	5.50%	32,000,384	4.90%
Lee Wee Ong	1,100,672	0.19%	1,100,672	0.19%	1,100,672	0.17%
<i>Substantial shareholder</i>						
Talent Gain Developments Limited (Note 2)	137,758,107	23.69%	137,758,107	23.69%	137,758,107	21.08%
Jayhawk Private Equity Fund L.P. (Note 3)	71,700,569	12.33%	71,700,569	12.33%	71,700,569	10.97%
Jayhawk Private Equity Co-Invest Fund, L.P. (Note 3)	4,506,431	0.77%	4,506,431	0.77%	4,506,431	0.69%
Placees	–	–	72,000,000	12.38%	72,000,000	11.02%
Other public shareholders	218,463,895	37.57%	218,463,895	37.57%	218,463,895	33.43%
Total	581,477,844	100%	581,477,844	100%	653,477,844	100%

Notes:

1. The entire share capital of Callister Trading Limited is owned by Mr. Li Jianguang, a non-executive Director.
2. Talent Gain Developments Limited is a wholly-owned subsidiary of Digital China (BVI) Limited, which in turn, is a wholly-owned subsidiary of Digital China Holdings Limited.
3. The entire issued share capital of each of Jayhawk Private Equity Fund, L.P., and Jayhawk Private Equity Co-Invest Fund, L.P. is owned by Mr. Kent C. McCarthy.

By order of the Board
HC International, Inc.
Guo Jiang
Chief Executive Officer and Executive Director

Beijing, the People's Republic of China, 7 October 2013

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. Li Jianguang (*Non-executive Director*)
Mr. Guo Wei (*Non-executive Director*)
Mr. Zhang Ke (*Independent non-executive Director*)
Mr. Xiang Bing (*Independent non-executive Director*)
Mr. Zhang Tim Tianwei (*Independent non-executive Director*)

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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 the information contained in this announcement 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 announcement misleading.

This announcement will remain on the pages of “Latest Company Announcements” on the Growth Enterprise Market website at <http://www.hkgem.com> for at least 7 days from the date of its posting and the Company’s website at <http://www.hcgroup.com>.