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HC GROUP INC.

慧聪集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 02280)

CHANGE OF CHIEF EXECUTIVE OFFICER

The board (the “**Board**”) of directors (the “**Directors**”) of HC Group Inc. (the “**Company**”, together with its subsidiaries, the “**Group**”) wishes to announce that Mr. Zhang Yonghong (張永紅) will step down as the chief executive officer (“**CEO**”) of the Company (and will remain as an executive Director) with effect from 3 February 2023 to focus on the business affairs and development of the Group’s subsidiary – Beijing Panpass Information Technology Co., Ltd. (“**Beijing Panpass**”). Mr. Liu Jun (劉軍) (an executive Director and the chairman of the Company) has been appointed as the CEO with effect from the same date.

Mr. Zhang has been the chairman of the board of directors and the general manager of Beijing Panpass since 2018. As the Company has announced on 10 January 2023, Beijing Panpass is considering a potential public offering and listing on the Beijing Stock Exchange. This work adjustment will allow Mr. Zhang to focus on Beijing Panpass, and promote Beijing Panpass’ corporate governance in preparation for its future plans and developments, and is also in line with the applicable requirements under relevant rules of the Beijing Stock Exchange. Mr. Liu has been overseeing the Group’s strategic development, he has extensive experience in the industry and the experience of acting as the CEO of the Group. The Company believes that this work adjustment can facilitate Beijing Panpass’s development, and allow the Group to maintain its efficient planning and implementation of business decisions and strategies under consistent leadership of the current management team without compromising the balance of power and authority, and is beneficial to the Group as a whole.

Set out below are the biographic information of Mr. Liu Jun.

Mr. Liu, aged 45, is an executive Director, the chairman and CEO of the Company. Mr. Liu was appointed as an executive Director with effect from 12 September 2016, and he previously acted as the CEO from October 2017 to January 2019.

From 2004 to 2011, Mr. Liu was the chief executive officer of Yigao Group Company Limited (頤高集團有限公司), during which he led the entity into the information technology businesses.

Mr. Liu is also a director of the Group's key subsidiaries, such as Beijing Huicong Technology Group Co., Ltd., Beijing Huicong Internet Information Technology Co., Ltd., Beijing Panpass and Beijing Zhixing Ruijing Technology Co., Ltd. He is the chairman of the nomination committee, and a member of the remuneration committee of the Company.

Mr. Liu obtained a Master's degree in Chemical Engineering and a Bachelor's degree in Chemical Engineering, Bio-engineering and Chemical Processing both from Zhejiang University in March 2004 and June 2000 respectively. Mr. Liu is currently a member of the 6th Beijing Changping District Committee of the Chinese People's Political Consultative Conference.

Mr. Liu has entered into a director's service contract with the Company for a term of three years commencing from 20 September 2022, which may be terminated by either party by giving three month's written notice or otherwise in accordance with its terms. He is currently entitled to a basic annual salary of RMB900,000 (together with discretionary bonus to be determined based on his performance during the relevant period of time) under his service contract, which was determined with reference to Mr. Liu's roles and responsibilities and the prevailing market conditions. Such remuneration package will remain unchanged upon Mr. Liu's appointment as the CEO.

As at the date of this announcement, Mr. Liu Jun holds 50,220,000 shares of the Company, and is interested in 29,032,100 underlying shares derived from share options granted to him under the Company's share option scheme.

Save as disclosed above, Mr. Liu confirms that there are no other matters in relation to his appointment as CEO that need to be disclosed pursuant to the requirements of Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), or that need to be brought to the attention of shareholders of the Company.

Mr. Zhang has confirmed that he has no disagreement with the Board and that there are no matters which need to be brought to the attention to the shareholders of the Company and the Stock Exchange in relation to his resignation as the CEO.

By order of the Board
HC GROUP INC.
Liu Jun
Chairman and Chief Executive Officer

Hong Kong, 3 February 2023

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

Mr. Liu Jun (*Executive Director, Chairman and Chief Executive Officer*)

Mr. Zhang Yonghong (*Executive Director*)

Mr. Liu Xiaodong (*Executive Director and President*)

Mr. Guo Fansheng (*Non-executive Director*)

Mr. Sun Yang (*Non-executive Director*)

Mr. Lin Dewei (*Non-executive Director*)

Mr. Zhang Ke (*Independent non-executive Director*)

Mr. Zhang Tim Tianwei (*Independent non-executive Director*)

Ms. Qi Yan (*Independent non-executive Director*)

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