THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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 Group Inc.** (the "**Company**"), you should at once hand this circular and proxy form 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.

慧聰集团
HC GROUP

HC GROUP INC.
慧聰集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 02280)

RENEWAL OF GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES RE-ELECTION OF DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING

Capitalised terms used in this cover page shall bear the same meanings as those defined in the section headed "Definitions" in this circular.

The notice convening the AGM is set out on pages 17 to 23 of this circular. A proxy form for use at the AGM is published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.hcgroup.com).

Whether or not you intend to attend the AGM, you are requested to complete and return the proxy form in accordance with the instructions printed thereon 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 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 proxy form will not preclude you from attending and voting at the AGM or any adjournment thereof (as the case may be) if you so wish. In such event, the proxy form shall be deemed to be revoked.

17 April 2025

TABLE OF CONTENTS

Pages

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

"AGM"	the annual general meeting of the Company for the year ended 31 December 2024 to be held on 30 May 2025 or any adjournment thereof
"AGM Notice"	the notice convening the AGM
"Articles of Association"	the articles of association of the Company, as amended from time to time
"Board"	the board of Directors
"close associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Company"	HC Group Inc., an exempted company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Stock Exchange
"core connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"DC Holdings"	Digital China Holdings Limited, a substantial shareholder of the Company as defined under the Listing Rules. Its shares are listed on the Stock Exchange (stock code: 00861)
"Director(s)"	director(s) of the Company
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"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 or securities 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"	15 April 2025, being the latest practicable date for ascertaining certain information contained in this circular
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Nomination Committee"	the nomination committee of the Company
"PRC"	the People's Republic of China
"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 set out in resolution number 4(B) of the AGM Notice with respect to the Repurchase Mandate
"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 Code on Takeovers and Mergers

"treasury share(s)"	has the meaning ascribed thereto under the Listing Rules
"%"	per cent

Certain Chinese names of institutions, natural persons or other entities have been translated into English and included in this circular as unofficial translations for identification purpose only. In the event of any inconsistency, the Chinese names shall prevail. Except the above, the English version of this circular, the AGM Notice and the proxy form shall prevail over its Chinese translation in the event of inconsistency.

HC GROUP INC.
慧聰集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 02280)

Executive Directors:
Liu Jun *(Chairman and Chief Executive Officer)*
Zhang Yonghong
Liu Xiaodong *(President)*

Non-executive Directors:
Guo Fansheng
Lin Dewei
Xing Jingfeng

Independent Non-executive Directors:
Zhang Ke
Zhang Tim Tianwei
Qi Yan

Registered Office:
4th Floor
One Capital Place
P.O. Box 847
George Town
Grand Cayman
Cayman Islands

Head Office and Principal Place of Business in the PRC:
Unit 302, 3rd Floor
Beiyuan, Yuanyang Xingfan Plaza
Building 1, No. 28 Beiyuan Road
Chaoyang District
Beijing 10017
PRC

17 April 2025

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 of the proposals regarding the renewal of general mandates to issue shares and to repurchase shares, and the re-election of Directors, and to give you the AGM Notice.

GENERAL MANDATE TO ISSUE SHARES

The Company's existing mandate to issue Shares was approved at the annual general meeting held on 31 May 2024. 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 a general and unconditional mandate to allot, issue and deal with shares or securities of up to 20% of the issued share capital of the Company on the date of passing the proposed resolution (for which treasury shares, if any, shall be excluded from the calculation of issued share capital).

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).

More information about the Issue Mandate and the aforesaid extension is set out in resolutions number 4(A) and 4(C), respectively, in the AGM Notice.

As at the Latest Practicable Date, 1,309,931,119 Shares were in issue, and the Company did not have any treasury shares. On the basis that the resolution to approve the Issue Mandate is passed at the AGM and there being no change in the number of issued Shares prior to the date of the AGM, the Directors would be authorised to allot, issue and deal with a maximum of 261,986,223 new Shares under the Issue Mandate. Such power under the Issue Mandate and the extension shall include any power to resell or transfer treasury shares (if any).

GENERAL MANDATE TO REPURCHASE SHARES

The Company's existing mandate to repurchase Shares was approved at the annual general meeting held on 31 May 2024. 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 a general and unconditional mandate to repurchase Shares of up to 10% of the issued share capital of the Company on the date of passing the proposed resolution (for which treasury shares, if any, shall be excluded from the calculation of issued share capital). More information about the Repurchase Mandate is set out in resolution number 4(B) in the AGM Notice.

With effect from 11 June 2024, amendments have been made to the Listing Rules to introduce flexibility for listed companies to cancel shares repurchased and/or to adopt a framework to (i) allow repurchased shares to be held in treasury and (ii) govern the resale of treasury shares. Following such changes to the Listing Rules, if the Company repurchases shares pursuant to the Repurchase Mandate, the Company may (i) cancel the repurchased shares and/or (ii) hold such shares in treasury, subject to market conditions and the capital management needs of the Company at the relevant time such repurchases of shares are made, and such requirements as may be applicable under the Listing Rules, the laws of the Cayman Islands and the Articles. A holder of treasury shares shall abstain from voting on matters that require shareholders' approval under the Listing Rules. To the extent that Shares are deposited with CCASS pending resale, the Company will adopt appropriate measures to ensure that it does not exercise any shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws if those Shares were registered in the Company's own name as treasury shares. These measures may include approval by the Board that (i) the Company will not (or will procure its broker not to) give any instructions to Hong Kong Securities Clearing Company Limited to vote at general meetings for the treasury shares deposited with CCASS and (ii) in the case of dividends or distributions, the Company will withdraw the treasury shares from CCASS, and either re-register them in its own name as treasury Shares or cancel them, in each case before the record date for the dividends or distributions.

On the basis that Repurchase Resolution is passed at the AGM and there being no change in the number of issued Shares prior to the date of the AGM, the Company would be allowed to repurchase a maximum of 130,993,111 Shares under the Repurchase Mandate.

An explanatory statement required to be sent to the Shareholders under the 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

In accordance with Article 87 of the Articles of Association, Mr. Guo Fansheng, Mr. Lin Dewei and Mr. Zhang Ke will retire from office as Director by rotation. Each of them, being eligible, has offered himself for re-election at the AGM.

Individuals proposed for re-election are selected with reference to the requirements of the Articles of Association and the rotation cycle of Directors' re-election. The re-election of Directors were considered and assessed by the Nomination Committee with due consideration of the Company's need and circumstances including its strategy and objectives, the Company's Directors Nomination Policy, the Board Diversity Policy and the overall composition and balance of the Board (including the Board's structure, size, composition, and its diversity from various aspects such as age, gender, background, length of services of the Board members). The Nomination Committee then made recommendations to the Board. The retiring Directors have abstained from the discussion and voting on matters relating to his re-election in meetings of the Board and/or relevant Board committees.

The Nomination Committee and the Board have separately reviewed and assessed (i) the suitability of each of the retiring Directors based on a range of criteria, including but not limited to his ability, experience and qualification, reputation, integrity, commitment in respect of available time and relevant interest, the historical attendance at meetings and in the Group's affairs, and benefits he could bring to the Board, and the standards as set forth in Rules 3.08 and 3.09 of the Listing Rules; (ii) the principles and code provisions under B.2 of Part 2 of the Corporate Governance Code contained in Appendix C1 to the Listing Rules; and (iii) the independence of Mr. Zhang Ke (an independent non-executive Director proposed for re-election).

Below summaries certain particular principal factors considered and assessed by the Nomination Committee and the Board:

(i) Mr. Guo is the founder of the Group. His connections, his experience and his understanding of the industry enable him to provide insights and perspectives to the Board;

(ii) Mr. Lin is an expert in the legal field with over 25 years of experience. He possesses in-depth professional knowledge and understanding of the regulatory environment in Chinese Mainland. This allows him to monitor the regulatory and compliance aspects of the Group.

(iii) Mr. Zhang has been making valuable contributions to the Board throughout his tenure. With his remarkable expertise and knowledge in business, economics, financial management and accounting, Mr. Zhang provides relevant insights to the Board, supervises the Group's strategy and performance with his diverse and professional perspective.

Mr. Zhang was first appointed as an independent non-executive Director in March 2003. Notwithstanding that he has served on the Board of more than nine years, Mr. Zhang continues to demonstrate his ability to exercise independence of judgment, drawing upon his extensive knowledge and expertise. These factors, coupled with his in-depth understanding of the Group's operations and business gained throughout the years allow him to provide valuable contribution to the Group. Mr. Zhang does not hold any interest in the share capital of the Company or in the business activities of the Group. He is not connected with any Director, chief executive or substantial shareholder of the Company except for his roles in the Board and the Board committees, and he does not represent any entity whose interests are not in line with the Shareholders as a whole. So far as the Company is aware of, Mr. Zhang does not rely on the remuneration given by the Company nor is he financially dependent on the Company or any connected person of the Company. Mr. Zhang has confirmed his independence in respect of the factors set out in Rule 3.13 of the Listing Rules in assessing the independence of a non-executive director every year since his appointment. The Nomination Committee and the Board are of the opinion that Mr. Zhang's tenure has not affect his independence, and believe that Mr. Zhang will be able to carry out his duties as an independent non-executive Director impartially and independently.

The Nomination Committee has recommended to the Board for the re-election of these retiring Directors. Having considered the recommendation from the Nomination Committee, the Board concurs with the view of the Nomination Committee, and believes that each of the retiring Directors proposed for re-election could continue to provide contributions and generate diversity to the Group, and their presence on the Board is valuable to the Group. The Board considers it is in the interests of the Company and its Shareholders as a whole to re-elect each of these retiring Directors at the AGM.

ANNUAL GENERAL MEETING

The AGM Notice is set out on pages 17 to 23 of this circular.

Vote of Shareholders of the resolutions proposed at the AGM will be taken by poll (except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands) in accordance with Rule 13.39(4) of the Listing Rules.

Whether or not you intend to attend the AGM, you are requested to complete and return the proxy form in accordance with the instructions printed thereon 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, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding of the AGM or any adjournment thereof (as the case may be). Completion and return of the proxy form 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. In such event, the proxy form shall be deemed to be revoked.

RECOMMENDATION

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

Yours faithfully,
By order of the Board
HC Group Inc.
Liu Jun
Chairman and Chief Executive Officer

This appendix serves as an explanatory statement required to be sent to the Shareholders pursuant to Rule 10.06 of the Listing Rules to provide the requisite information to you to make an informed decision in relation to the Repurchase Resolution.

SHARE CAPITAL

As at the Latest Practicable Date, 1,309,931,119 Shares were in issue, and the Company did not have any treasury shares. On the basis that the Repurchase Resolution is passed and there being no change in the number of issued Shares between the Latest Practicable Date and the date of the AGM, the Company will be allowed to repurchase a maximum of 130,993,111 Shares under the Repurchase Mandate. Treasury shares, if any, shall be excluded from the calculation of issued share capital.

REASONS FOR REPURCHASES

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their shares on the Stock Exchange or on another stock exchange recognised for this purpose by the Securities and Futures Commission and the Stock Exchange subject to certain restrictions. Proposed repurchases of shares by a company with a primary listing on the Stock Exchange must be approved by shareholders by an ordinary resolution in a general meeting, either by way of a general mandate or by a specific approval of a particular transaction and that the shares to be repurchased must be fully paid up.

The Directors believe that it is in the interests of the Company and the Shareholders as a whole to have general authority from the Shareholders to enable the Directors to repurchase shares. The Company may cancel any shares to be bought back under the Repurchase Mandate and/or hold them as treasury shares, subject to market conditions and the capital management needs of the Company at the relevant time, subject to compliance with the Listing Rules, the Articles of Association and the laws of the Cayman Islands. Shares repurchased for cancellation may lead to an enhancement of the net asset value and/or earnings per share. Shares repurchased and held by the Company as treasury shares may be resold on the market at market prices to raise funds for the Company, or transferred or used for other purposes, subject to compliance with the Listing Rules, the Articles of Association, and the laws of the Cayman Islands. The Repurchase Mandate will only be exercised when the Board believes that such repurchase(s) will benefit the Company and the Shareholders as a whole.

FUNDING OF REPURCHASES

In repurchasing Shares, the Company will only apply funds legally available for such purpose, being distributable profit of the Company or proceeds of a fresh issue of shares made for such purpose in accordance with its memorandum of association, the Articles of Association and the laws of the Cayman Islands. The Company will not purchase Shares on the Stock Exchange 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 31 December 2024 (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 proposed purchase period. However, the Company does not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital or the gearing levels which in the opinion of the Board are from time to time appropriate for the Company.

SHARE PRICES

The highest and lowest prices at which the Shares have been traded on the Stock Exchange during each of the previous twelve months and up to the Latest Practicable Date were as follows:

	Price per Share	
	Highest	**Lowest**
Month	*HK$*	*HK$*
2024		
April	0.250	0.142
May	0.230	0.181
June	0.275	0.120
July	0.200	0.120
August	0.210	0.141
September	0.198	0.154
October	0.270	0.153
November	0.200	0.141
December	0.200	0.150
2025		
January	0.190	0.163
February	0.240	0.171
March	0.201	0.170
April (up to the Latest Practicable Date)	0.182	0.130

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 Rule 26 of the Takeover Code.

So far as the Company is aware of, Talent Gain Developments Limited ("**TGDL**") was the single largest shareholder of the Company as of the Latest Practicable Date, who was (by itself or through its controlled corporation) interested in 253,671,964 Shares, representing approximately 19.37% of the total issued Shares. Based on information available to the Company, TGDL was indirectly controlled by DC Holdings. Assuming there being no change in the number of issued Shares and the shareholding, if 130,993,111 Shares are to be repurchased from other third parties upon full exercise of the Repurchase Mandate, TGDL's shareholding interests will increase to approximately 21.52% of the total issued Shares. On this basis, the Directors are not aware of a (or a group of) Shareholder(s) becoming obligated to make a mandatory offer under the Takeovers Codes if the Repurchase Mandate is fully exercised.

The Directors do not intend to repurchase the Shares on the Stock Exchange if the repurchase would result in the number of the Shares which are in the hands of the public falling below the minimum prescribed percentage for the Company as required by the Stock Exchange.

SHARE REPURCHASES MADE BY THE COMPANY IN PAST SIX MONTHS

The Company has not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

OTHER INFORMATION

None of the Directors or, to the best of the knowledge of the Directors having made all reasonable enquiries, their respective close associates has a present intention, in the event that the Repurchase Mandate is approved, to sell any Shares to the Company. No core connected person of the Company has notified the Company that it has a present intention to sell any Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved.

The Company may cancel any Shares it repurchased following settlement of any such repurchase and/or hold them as treasury shares, subject to, among others, market conditions and the Company's capital management needs at the relevant time of the repurchase.

The Directors will exercise the power of the Company to make purchase (if any) pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

Neither this explanatory statement nor the proposed share repurchase under the Repurchase Mandate has any unusual features.

Mr. Guo Fansheng (郭凡生) ("Mr. Guo")

Mr. Guo, aged 69, is a non-executive Director and a member of the audit committee of the Company (the "**Audit Committee**"). Mr. Guo was appointed as an executive Director on 21 March 2000, and was re-designated as a non-executive Director on 18 October 2017. Mr. Guo served as the chairman of the Company from 31 March 2008 to 18 October 2017.

Mr. Guo founded the Group in October 1992 and served as the chief executive officer of the Company until 31 March 2008. Mr. Guo is currently the chairman of the Inner Mongolia Chamber of Commerce in Beijing. From 1990 to 1992, Mr. Guo worked as a manager in a State-owned business information company in Beijing, the PRC. From 1987 to 1990, Mr. Guo served as an officer of the Liaison Office and General Office of the Institute of Economic System Reform under the 國家經濟體制改革委員會 (State Commission for Economic Restructuring), and as the deputy officer of 西部開發研究中心 (the Western China Development Research Centre). Mr. Guo served from 1982 to 1987 as a senior official in the government of the Inner Mongolia Autonomous Region. Mr. Guo obtained a bachelor degree in industrial economics from Renmin University of China, the PRC in 1982.

Mr. Guo does not hold any directorship in any other listed company in Hong Kong or overseas in the past three years prior to the Latest Practicable Date.

As at the Latest Practicable Date, Mr. Guo was interested in 57,749,015 Shares, comprising 2,088,000 Shares beneficially held by Mr. Guo and 55,661,015 Shares held by a trustee of a discretionary trust of which Mr. Guo is a founder who can influence how the trustee exercise his discretion. Save as disclosed above, Mr. Guo has confirmed that he did not have any other interest in the securities of the Company within the meaning of Part XV of the SFO as of the Latest Practicable Date.

Mr. Guo was initially appointed for a fixed term of one year, which term shall be renewed automatically unless terminated by not less than one month's written notice or otherwise pursuant to the term of appointment. There was no written service contract with Mr. Guo as of the Latest Practicable Date. He did not receive any director's salary, fees or bonus from the Company for the year ended 31 December 2024, and he is not entitled to any director's salary, fees or bonus from the Company for holding his office as a non-executive Director.

Mr. Lin Dewei (林德緯)

Mr. Lin, aged 64, is a non-executive Director. Mr. Lin was appointed as a non-executive Director with effect from 1 July 2020.

Mr. Lin has approximately 25 years of experience in the legal field and worked as a part-time lawyer at various law firms in the PRC between 1995 and 2001. In 2001, Mr. Lin practiced as a lawyer at Guangdong Everwin Law Office and became a partner of the firm in 2004. Since 2013, Mr. Lin has been practicing as a lawyer at Guangdong Yogo Law Firm. Mr. Lin was a non-executive director of China Lesso Group Holdings Limited (a company listed on Stock Exchange, stock code: 2128) from February 2010 to July 2018, and an executive director of that company thereafter until May 2023. Mr. Lin obtained a bachelor's degree in science from South China University of Technology (formerly known as South China Institute of Technology) in July 1982 and received a certificate of lawyer qualification in the PRC in January 1990.

Save as disclosed herein, Mr. Lin did not hold directorship in any other listed company in Hong Kong or overseas in the past three years prior to the Latest Practicable Date.

Mr. Lin was initially appointed for a fixed term of one year, which term is renewed automatically unless terminated by not less than one month's written notice or otherwise pursuant to the term of appointment. There was no written service contract with Mr. Lin as of the Latest Practicable Date. He did not receive any director's salary, fees or bonus from the Company for the year ended 31 December 2024, and he is not entitled to any director's salary, fees or bonus from the Company for holding his office as a non-executive Director.

Mr. Lin has confirmed that he did not have any interests in the Shares within the meaning of Part XV of the SFO as of the Latest Practicable Date.

Mr. Zhang Ke ("Mr. Zhang")

Mr. Zhang, aged 71, is an independent non-executive Director. He is the chairman of the Audit Committee and the Remuneration Committee, respectively, and a member of the Nomination Committee. Mr. Zhang was appointed as an independent non-executive Director on 28 March 2003.

Mr. Zhang is a certified public accountant in the PRC and is currently the chairman and founding partner of Shine Wing Certified Public Accountants. He graduated from Renmin University of China in 1982 with a bachelor degree in economics majoring in industry economics. He has many years of experience in the fields of economics, accounting and finance. Mr. Zhang was the vice-president of the Chinese Institute of Certified Public Accountants and the Chief Supervisor of Beijing Association of Forensic Science. Mr. Zhang is currently a member of Internal Control Standard Committee of the Ministry of Finance of the PRC. Mr. Zhang has acted an independent director of 中信出版集團股份有限公司 (CITIC Press Group Corporation, a company listed on the Shenzhen Stock Exchange with the stock code 300788) until October 2023.

Save as disclosed herein, Mr. Zhang did not hold directorship in any other listed company in Hong Kong or overseas in the past three years prior to the Latest Practicable Date.

Mr. Zhang has entered into a service contract with the Company for an initial term of one year and his term would continue thereafter unless and until terminated by either the Company or Mr. Zhang by giving one month's written notice. Mr. Zhang is entitled to receive a remuneration of RMB250,000 per annum under his service contract. He received director's fee of RMB250,000 for the year ended 31 December 2024.

Mr. Zhang has confirmed that he did not have any interest in the securities of the Company within the meaning of Part XV of the SFO as of the Latest Practicable Date.

The Board and the Nomination Committee believe that Mr. Zhang's independence is not affected by his length of tenure. Please also refer to the section "Letter of the Board — Re-election of Directors".

OTHER INFORMATION

All Directors proposed for re-election at the AGM are subject to retirement, rotation, re-election and/or removal as specified by the Listing Rules and the Articles of Association.

The emoluments of the Directors proposed for re-election are determined based on the Company's remuneration policy, taking into account individual roles and responsibilities, individual performance and qualities, the Group's performance and conditions, and prevailing market conditions and trend.

Each of the Directors proposed for re-election has confirmed that save as disclosed in this circular, he does not have other relationship with any Director, senior management, substantial/ controlling shareholder of the Company (as defined under the Listing Rules), and that he is not aware of any other matter that needs to be brought to the attention of Shareholders pursuant to the Listing Rules, or any information which is required to be disclosed under Rules 13.51(2) of the Listing Rules with respect to his re-election.

HC GROUP INC.
慧聰集團有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 02280)

NOTICE IS HEREBY GIVEN THAT the annual general meeting of the members of HC Group Inc. (the "**Company**") will be held at Unit 302, 3rd Floor, Beiyuan, Yuanyang Xingfan Plaza, Building 1, No. 28 Beiyuan Road, Chaoyang District, Beijing 10017, the People's Republic of China on 30 May 2025 (Friday), at 4:00 p.m. to consider and, if thought fit, approve the following resolutions:

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 31 December 2024.

2. To re-appoint PricewaterhouseCoopers as the auditors of the Company and to authorise the board of directors of the Company to fix their remuneration.

3. (A) Mr. Guo Fansheng be re-elected as a non-executive director of the Company;

   (B) Mr. Lin Dewei be re-elected as a non-executive director of the Company;

   (C) Mr. Zhang Ke be re-elected as an independent non-executive director of the Company; and

   (D) To authorise the board of directors of the Company to fix the remuneration of the directors of the Company.

4. (A) "**THAT**:

(i) subject to paragraph (iii) of this resolution below, 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 power 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 or securities convertible into shares in the capital of the Company) during or after the end of the Relevant Period;

(iii) the number 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 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 issued share capital of the Company as at the date of passing this resolution and the said approval shall be limited accordingly; and that this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution) shall be limited by the applicable rules and requirements of The Stock Exchange of Hong Kong Limited as amended from time to time, including the restrictions for using the general mandate to issue securities for cash consideration at a price lower than the Benchmarked Price (as defined below) (unless otherwise allowed under the rules and requirements of, or by, The Stock Exchange of Hong Kong Limited); and

(iv) for the purpose of this resolution,

"Benchmarked Price" means the higher of:

(a) the closing price on the date of the relevant placing agreement or other agreement involving the proposed issue of securities under the general mandate to be approved under this resolution; and

(b) the average closing price in the 5 trading days immediately prior to the earlier of:

(i) the date of announcement of the placing or the proposed transaction or arrangement involving the proposed issue of securities under the general mandate to be approved under this resolution;

(ii) the date of the placing agreement or other agreement involving the proposed issue of securities under the general mandate to be approved under this resolution; and

(iii) the date on which the placing or subscription price is fixed.

"Relevant Period" means the period from the date of passing of this resolution until 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).

Any reference to allot, issue and deal with shares or securities shall include to sell or transfer treasury shares to the extent permitted by, and subject to the provisions of, the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited and all applicable laws, rules and requirements.

Treasury shares shall be excluded from the calculation of the issued share capital."

(B) "**THAT**:

(i) subject to paragraph (iii) of this resolution below, the exercise by the directors of the Company 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 recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange, in accordance with all applicable laws and/or the requirements of the Stock Exchange or of any other stock exchange and the Code on Share Buy-backs as amended from time to time, 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;

(iii) the number of shares 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 issued share capital of the Company as at the date of passing this resolution (subject to adjustment in the case of any consolidation or subdivision of shares of the Company after the date of passing of this resolution); and

(iv) for the purpose of this resolution,

"Relevant Period" means the period from the date of passing of this resolution until 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.

Treasury shares shall be excluded from the calculation of the issued share capital."

(C) "**THAT** conditional upon the passing of resolutions number 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 number 4(A) as set out in the notice convening this meeting of which this resolution forms part be and is hereby extended by the addition thereto of an amount representing the number of share capital of the Company repurchased by the Company under the authority granted pursuant to resolution number 4(B) as set out in the notice convening this meeting of which this resolution forms part, provided that such amount shall not exceed 10% of the issued share capital of the Company as at the date of passing this resolution. Treasury shares shall be excluded from the calculation of the issued share capital."

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

Beijing, PRC, 17 April 2025

Notes:

1. A proxy form for use at the Meeting is published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.hcgroup.com). 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/her. A member who is the holder of two or more shares may appoint more than one proxy to represent him/her and vote on his/her 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/her 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 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 not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof (as the case maybe).

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, will 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. In such event, the instrument appointing a proxy shall be deemed to be revoked.

7. An explanatory statement containing the information required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited regarding ordinary resolution number 4(B) is set out in Appendix I to the circular of the Company published on the same date. Biographies of directors of the Company proposed for re-election at the Meeting are set out in Appendix II to such circular.

8. For determining the entitlement to attend, speak and vote at the Meeting, the transfer book and Register of Members of the Company will be closed from 27 May 2025 (Tuesday) to 30 May 2025 (Friday) (being the meeting record date) (both days inclusive), during which period no share transfers will be registered. In order to be eligible to attend, speak and vote at the Meeting, all transfer documents accompanied by the relevant share certificates must be lodged with 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 for registration no later than 4:30 p.m. on 26 May 2025 (Monday).

9. The Meeting will be a physical one. References to time and dates in this notice are to Hong Kong time and dates.

10. The Company may be required to change the meeting arrangements due to the public health or other considerations. Shareholders should regularly assess for themselves potential risks associated with, and whether they should attend, the physical meeting, While the Company proposes and endeavours to implement measures to safeguard the health of the attendees, no obligation or liability whatsoever will be assumed by the Company in connection with the successful implementation or otherwise of any or all of those measures.

    If any shareholder chooses not to attend the meeting in person but has any question about any resolution or about the Company, or has any matter for communication with the board of directors of the Company, it is welcome to send such question or matter to the Company's email at ir@hcgroup.com.