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If you have sold or transferred all your shares in Hosa International Limited, you should at once hand this circular together with the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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hosa
HOSA INTERNATIONAL LIMITED

浩沙國際有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 02200)

**PROPOSED DECLARATION OF FINAL DIVIDEND,
PROPOSED GRANT OF
GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES,
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A letter from the Board of Hosa International Limited is set out on pages 1 to 5 of this circular.

A notice dated 27 March 2017 convening the AGM to be held at 1804A, 18/F, Tower 1, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong, on Friday, 28 April 2017 at 10:30 a.m. is set out on pages 17 to 20 of this circular. Whether or not you are able to attend the AGM, please complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong Share Registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for the holding of the AGM or any adjourned meeting.

Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or at any adjourned meeting thereof if you so wish and in such event the form of proxy shall be deemed to be revoked.

27 March 2017

CONTENTS

	<i>Page</i>
DEFINITIONS	ii
LETTER FROM THE BOARD	1
APPENDIX I – EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE . . .	6
APPENDIX II – DETAILS OF THE DIRECTORS TO BE RE-ELECTED	10
NOTICE OF THE AGM	17

DEFINITIONS

In this circular, unless the context otherwise requires, the following terms or expressions shall have the meanings set out below:

“AGM Notice”	the notice convening the Annual General Meeting set out on pages 17 to 20 of this circular
“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be held at 1804A, 18/F, Tower 1, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong, on 28 April 2017 at 10:30 a.m., for the purpose of considering and if thought fit, approving the resolutions proposed in this circular
“Articles of Association”	the articles of association of the Company as amended from time to time
“associates”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors of the Company
“Company”	Hosa International Limited (浩沙國際有限公司), a company incorporated under the laws of the Cayman Islands with limited liability on 2 September 2010, the shares of which are listed on the Stock Exchange
“Companies Law”	the Company Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Director(s)”	the director(s) of the Company
“Issue Mandate”	a general and unconditional mandate to be granted to the Directors to exercise all powers of the Company to allot, issue, and otherwise deal with new Shares and other securities with an aggregate nominal amount not exceeding the sum of 20% of the issued share capital of the Company as at the date of passing the relevant resolution at the Annual General Meeting
“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 PRC

DEFINITIONS

“Latest Practicable Date”	17 March 2017, being the latest practicable date prior to the printing of this circular for ascertaining certain information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Register of Members”	the principal or branch register of members of the Company maintained in the Cayman Islands or Hong Kong respectively
“Repurchase Mandate”	a general and unconditional mandate to the Directors to exercise the power of the Company to repurchase Shares in the capital of the Company up to a maximum of 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the relevant resolution at the Annual General Meeting
“PRC”	the People’s Republic of China, which for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	Securities and Futures Ordinance (Chapter 571) of the Laws of Hong Kong, as amended from time to time
“Shares”	ordinary share(s) with a nominal value of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the same meaning ascribed to it under the Listing Rules
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs, as amended from time to time
“%”	per cent

LETTER FROM THE BOARD



HOSA INTERNATIONAL LIMITED

浩沙國際有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 02200)

Executive Directors:

Mr. Shi Hongliu (*Chairman*)

Mr. Shi Hongyan (*Vice Chairman and Chief Executive Officer*)

Mr. Shi Zhixiong

Mr. Lui Wai Ming (*Chief Financial Officer*)

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Independent non-executive Directors:

Ms. Ko Yuk Lan

Mr. Yao Ge

Mr. He Wenyi

Principal place of business in

Hong Kong:

Unit 1902, 19/F

Far East Finance Centre

16 Harcourt Road

Hong Kong

27 March 2017

To the Shareholders

Dear Sir/Madam,

**PROPOSED DECLARATION OF FINAL DIVIDEND,
PROPOSED GRANT OF
GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES,
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding the declaration of final dividend, the Issue Mandate, the Repurchase Mandate and the re-election of retiring Directors, at the Annual General Meeting.

LETTER FROM THE BOARD

At the Annual General Meeting, resolutions, amongst others, will be proposed for the Shareholders to approve (i) the proposed declaration of final dividend; (ii) the proposed grant of the Issue Mandate and the Repurchase Mandate; (iii) the extension of the Issue Mandate to include Shares repurchased pursuant to the Repurchase Mandate; and (iv) the re-election of retiring Directors.

DECLARATION OF FINAL DIVIDEND

According to the announcement of annual results of the Company for the year ended 31 December 2016 dated 21 March 2017, the Board recommended the distribution of final dividend of HK\$2.3 cents (equivalent to approximately RMB2.1 cents) per Share in cash for the year ended 31 December 2016 to the Shareholders.

The proposed payment of final dividend is subject to the approval of the Shareholders at the Annual General Meeting. If the resolution for the proposed payment of final dividend is passed at the Annual General Meeting, the final dividend will be payable on or around Friday, 7 July 2017 to the Shareholders whose names appear on the Register of Members at close of business on Wednesday, 10 May 2017.

The Register of Members will be closed from Monday, 8 May 2017 to Wednesday, 10 May 2017 both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to receive the proposed final dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Friday, 5 May 2017.

LETTER FROM THE BOARD

ISSUE MANDATE AND REPURCHASE MANDATE

At the Annual General Meeting, separate ordinary resolutions will be proposed:

- (a) to grant a general mandate to the Directors to exercise the powers of the Company to allot and issue Shares with an aggregate nominal value not exceeding 20% of the aggregate nominal value of the issued share capital of the Company as at the date of passing the relevant resolution. As at the Latest Practicable Date, a total of 1,667,276,000 Shares were in issue. Subject to the passing of the proposed resolution granting the Issue Mandate to the Directors and on the basis that no Shares will be issued or repurchased by the Company prior to the Annual General Meeting, the Company will be allowed under the Issue Mandate to issue a maximum of 333,455,200 new Shares. The Issue Mandate will end on the earliest of (a) the date of the next annual general meeting; or (b) the date by which the next annual general meeting of the Company is required to be held by the Articles of Association; or (c) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company;
- (b) to grant a general mandate to the Directors to exercise all powers of the Company to repurchase issued Shares with an aggregate nominal value not exceeding 10% of the aggregate nominal amount of the issued share capital of the Company in issue as at the date of passing the relevant resolution. As at the Latest Practicable Date, the number of Shares in issue is 1,667,276,000 Shares. Subject to the passing of the proposed ordinary resolution approving the granting of the Repurchase Mandate and no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 166,727,600 Shares, being 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the resolution in relation thereof. The Repurchase Mandate will end on the earliest of (a) the date of the next annual general meeting; or (b) the date by which the next annual general meeting of the Company is required to be held by the Articles of Association; or (c) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company; and
- (c) subject to the passing of the aforesaid ordinary resolutions of the Issue Mandate and the Repurchase Mandate, to extend the number of Shares to be issued and allotted under the Issue Mandate by an additional number representing such number of Shares repurchased under the Repurchase Mandate.

In accordance with the Listing Rules, an explanatory statement is set out in Appendix I to this circular to provide you with requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolution in respect of the Repurchase Mandate at the Annual General Meeting.

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

In accordance with article 84(1) of the Articles of Association, each of Mr. Shi Hongliu, Mr. Shi Hongyan and Mr. Yao Ge will retire from office of Directors at the Annual General Meeting. The above directors, being eligible, will offer themselves for re-election as Directors at the Annual General Meeting.

Ordinary resolutions will be proposed to re-elect Mr. Shi Hongliu, Mr. Shi Hongyan and Mr. Yao Ge at the Annual General Meeting.

The biographical details of Mr. Shi Hongliu, Mr. Shi Hongyan and Mr. Yao Ge as required to be disclosed under the Listing Rules are set out in Appendix II to this circular.

ANNUAL GENERAL MEETING

The Company will convene the Annual General Meeting at 1804A, 18/F, Tower 1, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong, on 28 April 2017 at 10:30 a.m. at which resolutions will be proposed for the purpose of considering and if thought fit, approving the resolutions set out in the notice of the Annual General Meeting as set out on pages 17 to 20 of this circular.

A form of proxy for use at the AGM is enclosed with this circular. Whether or not you are able to attend the AGM in person, you are requested to complete the form of proxy enclosed and return it to the Company's Hong Kong Share Registrar, 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 and in any event not less than 48 hours before the time appointed for the holding of the AGM or any adjournment meeting thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or at any adjournment meeting thereof if you so wish and, in such event, the form of proxy shall be deemed to be revoked.

Pursuant to Rule 13.39(4) of the Listing Rules, voting by the Shareholders at the AGM will be by poll. The chairman of the AGM will therefore demand a poll for every resolution part to the vote of the AGM pursuant to Article 66 of the Articles of Association.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, 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.

LETTER FROM THE BOARD

RECOMMENDATIONS

The Directors consider that the declaration of final dividend, the grant of the Issue Mandate, the Repurchase Mandate and the re-election of retiring Directors are in the best interests of the Company as well as its Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favor of all the resolutions to be proposed at the AGM as set out in the AGM Notice.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members will be closed from Tuesday, 25 April 2017 to Friday, 28 April 2017 both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Monday, 24 April 2017.

Your attention is drawn to the additional information set out in the appendices to this circular.

Yours faithfully,
By order of the Board
Hosa International Limited
Shi Hongliu
Chairman

This Appendix I serves as an explanatory statement, as required by Rule 10.06(1)(b) and other provisions of the Listing Rules, to provide requisite information as to the proposed Repurchase Mandate.

1. LISTING RULES RELATING TO THE REPURCHASES OF SHARES

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their shares on the Stock Exchange and other stock exchange on which the securities of the company are listed and such exchange is recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange subject to certain restrictions. Among such restrictions, the Listing Rules provide that the shares of such company must be fully paid up and all repurchase of shares by such company must be approved in advance by an ordinary resolution of shareholders, either by way of a general repurchase mandate or by specific approval of a particular transaction.

2. SHARE CAPITAL

As at the Latest Practicable Date, there were a total of 1,667,276,000 Shares in issue. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased during the period from the Latest Practicable Date to the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 166,727,600 Shares, being 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the passing of the relevant resolution at the Annual General Meeting.

3. REASONS FOR SHARE REPURCHASE

The Directors have no present intention to repurchase any Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed, but consider that the ability to do so would give the Company additional flexibility that would be beneficial to the Company and the Shareholders as such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets value of the Company and/or its earning per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

As compared with the financial position of the Company as at 31 December 2016 (as disclosed in its latest audited financial statements for the year ended 31 December 2016), the Directors consider that there would not be any material adverse impact on the working capital and on the gearing position of the Company in the event that the proposed repurchase were to be carried out in full during the proposed repurchase period. In the circumstances, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would have a material adverse impact on the working capital or gearing ratio of the Company.

4. FUNDING OF REPURCHASE

The Company is empowered by its memorandum of association and Articles of Association to repurchase its Shares. In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and Articles of Association and the Companies Law. Under the Companies Law, payment for a share repurchase by the Company may only be made out of profits or the proceeds of a new issue of Shares made for such purpose or out of capital of the Company. The amount of premium payable on a repurchase of Shares may only be paid out of either the profits or out of the share premium of the Company or out of capital of the Company.

In addition, under the Companies Law, payment out of capital by a company for the purchase by a company of its own shares is unlawful unless immediately following the date on which the payment is proposed to be made, the company shall be able to pay its debts as they fall due in the ordinary course of business. In accordance with the Companies Law, the shares so repurchased would be treated as cancelled but the aggregate amount of authorized share capital would not be reduced.

5. DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, any of their associates, has any present intention to sell any Shares to the Company in the event that the Repurchase Mandate is granted by the Shareholders.

No connected person of the Company (as defined in the Listing Rules) has notified the Company that he/she/it has a present intention to sell Shares to the Company nor has he/she/it undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Repurchase Mandate is granted by the Shareholders.

6. UNDERTAKING OF THE DIRECTORS

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 and in accordance with the Listing Rules, the Articles of Association and the applicable laws of the Cayman Islands.

7. EFFECT OF TAKEOVERS CODE

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

As at the Latest Practicable Date, to the best of the knowledge of the Directors, the controlling shareholders (as defined in the Listing Rules) of the Company, namely Ho Born Investment Holdings Limited, Well Born Industrial Group Limited, Mr. Shi Hongliu, Mr. Shi Hongyan and Mr. Wu Changda (the "**Controlling Shareholders**") together, control the exercise of approximately 49.81% voting rights in the general meeting of the Company.

In the event that the Directors should exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Repurchase Mandate, the shareholding of the Controlling Shareholders in the Company would increase to approximately 55.34% of the issued share capital of the Company. Such increase will give rise to an obligation to make a mandatory offer under Rule 26 or Rule 32 of the Takeovers Code.

The Listing Rules prohibit a company from making repurchase on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the issued share capital would be in public hands. The Directors do not propose to repurchase Shares which would result in less than the prescribed minimum percentage of Shares in public hands.

8. SHARE REPURCHASES BY THE COMPANY

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

9. SHARE PRICES

The Shares are trading on the Stock Exchange and the highest and lowest prices at which the Shares have been traded on the Stock Exchange in each of the following months up to the Latest Practicable Date are as follows:

	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2016		
March	2.83	2.09
April	2.63	2.11
May	2.60	2.40
June	2.70	2.46
July	2.85	2.51
August	2.68	2.49
September	2.84	2.60
October	2.74	2.33
November	2.78	2.47
December	2.88	2.41
2017		
January	2.83	2.42
February	2.78	2.53
March (up to the Latest Practicable Date)	2.57	2.45

DIRECTORS STANDING FOR RE-ELECTION

The biographical details of the retiring Director proposed to be re-elected at the Annual General Meeting are set out below:

Mr. Shi Hongliu

Aged 51, is the founder of the Hosa brand. He was appointed as the chairman and executive Director of the Company on 2 September 2010. Mr. Shi has over 28 years of experience in the apparel industry and is primarily responsible for the corporate strategic planning and overall business development of the Group. From 1983 to 1996, he was a sole proprietor in the apparel industry where he primarily engaged in distributing sportswear for women in Beijing, Shanghai and Guangzhou. From 1996 to 2011, he assumed various positions at Fujian Province Jinjiang City Haosha Garments Co., Ltd. (“**Haosha Garments**”). From September 1996 to March 2000, he was the chief brand manager of Haosha Garments responsible for formulating, implementing brand strategy and improving the competitiveness of Hosa brand. From March 2000 to March 2006, he was the general manager of Haosha Garments responsible for developing and implementing business development strategies and overseeing the overall administrative and business activities of this company. From March 2006 to February 2011, he was the supervisor of Haosha Garments. Since November 1997, he has been a director of Haosha International (H.K.) Limited (“**Haosha H.K.**”) and is responsible for overlooking the operation, development strategy as well as corporate investment activities of Haosha H.K. Since October 2005, being one of the founders of Haosha Industry (Fujian) Co., Ltd. (“**Haosha Industry**”), he has been the chairman of the board responsible for overseeing the operation and investment activities of Haosha Industry and general manager since January 2011. Mr. Shi Hongliu is a brother of Mr. Shi Hongyan. Apart from being a Director, Mr. Shi Hongliu had not been a director of any other listed company in the past three years.

Mr. Shi was selected as one of the “Top Ten Meritorious Entrepreneurs” (十大功勳企業家) at China’s International Fashion Week by China National Textile and Apparel Council (中國紡織工業協會) in 2007, and “Brand China Person of the Year (Apparel Industry)” (品牌中國 (服裝行業) 年度人物) by Brand China Industry Alliance (品牌中國產業聯盟) in 2010. He is also the honorary chairman of the Chamber of Commerce of Jinjiang in Shanghai (上海晉江商會名譽會長).

Mr. Shi completed a diploma program for general managers of enterprises (總經理課程) of China Europe International Business School (中歐國際工商學院) in December 2008.

Mr. Shi Hongliu is responsible for setting up overall future strategies of the group, the financial and operational strategies and managing the overall operations in Fujian Jinjiang and Beijing head office. Mr. Shi is also the ultimate in-charge of the management accounting of the PRC subsidiaries and the treasury functions of the group.

There is a service contract entered into between the Company and Mr. Shi for his appointment as an executive Director of the Company for an initial fixed term of three years commencing from 16 December 2011 and thereafter such service contract may be terminated by not less than three months' notice in writing or payment in lieu of such notice served by either party on the other. The service contract is automatically renewed upon expiration. According to the service contract, Mr. Shi is entitled to a basic annual salary (subject to an annual adjustment at the discretion of the Remuneration Committee) of RMB1,040,000. Such emoluments are determined with reference to the performance and profitability of the Company, as well as remuneration benchmark in the industry and the prevailing market conditions. Mr. Shi's total emoluments (including contributions to retirement benefit scheme) recorded in 2016 were approximately RMB966,000.

Ho Born Investment Holdings Limited and Well Born Industrial Group Limited are beneficially owned as to 49.85% by Mr. Shi and Mr. Shi is therefore deemed to be interested in 829,884,859 Shares held by Ho Born Investment Holdings Limited and Well Born Industrial Group Limited, respectively. In addition, Mr. Shi directly owns 500,000 Shares. Save as aforementioned, Mr. Shi has no other interest in the Company or its associated corporations within the meaning of Part XV of the SFO.

Mr. Shi Hongyan

Aged 48, was appointed as the vice chairman, chief executive officer and executive Director of the Company on 2 September 2010. Mr. Shi Hongyan has over 20 years of experience in the apparel industry and is primarily responsible for developing and implementing operation plans, and monitoring the overall manufacturing activities of the Group. From 1988 to 1996, he was a sole proprietor in the apparel industry where he primarily engaged in distributing sportswear for women in Beijing, Shanghai and Guangzhou. From 1996 to 2011, he assumed various positions at Haosha Garments. From September 1996 to March 2000, he was the director of Haosha Garments responsible for establishing management systems and overseeing the administrative and business operations. From March 2000 to March 2006, he was the chief production manager responsible for formulating and implementing the production plans and supervising the production process. From March 2006 to February 2011, he was the director and general manager of Haosha Garments. Since October 2005, he has been the vice chairman of the board of Haosha Industry. And from October 2005 to January 2011, he was the general manager of Haosha Industry where he was responsible for implementing production plans and overseeing the production operation. Since January 2011, he has been the vice general manager of Haosha Industry. Mr. Shi Hongyan is a brother of Mr. Shi Hongliu. Apart from being a Director, Mr. Shi Hongyan had not been a director of any other listed company in the past three years.

Mr. Shi Hongyan currently assumes leadership roles in various institutions, the details of which are set out in tabular format below.

Terms of Office	Position	Position
August 2004–now	Member of the first standing committee	Quanzhou City Trademark Association
September 2005–now	Vice chairman of the first council	Jinjiang City Textile and Apparel Association
February 2006–now	Vice chairman of the eighth council	Jinjiang City Association of Industry and Commerce
July 2008–now	Vice chairman of the second council	Quanzhou City Association of Quality and Technical Supervision
August 2008–now	Vice chairman of the second council	Fujian Province Apparel Industry Association
2009–now	Member	The Eleventh Jinjiang City Committee of the Chinese People’s Political Consultative Conference

Mr. Shi Hongyan was selected as one of the First Outstanding Young Enterprising Talents in Quanzhou (首屆泉州青年優秀創業人才) in April 2005 and Outstanding Young Entrepreneurs of Fujian Province (福建省優秀青年企業家) in November 2006.

Mr. Shi Hongyan completed a diploma program for chief executive officers of enterprises (企業總裁高級研修班) of the Economics College of Peking University (北京大學經濟學院) in 2003.

Mr. Shi Hongyan is mainly responsible for the public relationships of the group including attending different functions/events. He acts as the spokesman in these event/functions.

There is a service contract entered into between the Company and Mr. Shi for his appointment as an executive Director of the Company for an initial fixed term of three years commencing from 16 December 2011 and thereafter such service contract may be terminated by not less than three months’ notice in writing or payment in lieu of such notice served by either party on the other. The service contract is automatically renewed upon expiration.

According to the service contract, Mr. Shi is entitled to a basic annual salary (subject to an annual adjustment at the discretion of the Remuneration Committee) of RMB910,000. Mr. Shi’s emoluments are determined with reference to the performance and profitability of the Company, as well as remuneration benchmark in the industry and the prevailing market conditions. Mr. Shi’s total emoluments (including contributions to retirement benefit scheme) recorded in 2016 were approximately RMB846,000.

Ho Born Investment Holdings Limited and Well Born Industrial Group Limited are beneficially owned as to 26.23% by Mr. Shi. Save as aforementioned, Mr. Shi has no other interest in the Company or its associated corporations within the meaning of Part XV of the SFO.

Mr. Yao Ge

Aged 57, was appointed as an independent non-executive Director of the Company on 7 June 2011. After his graduation in September 1994 to late 1994, Mr. Yao was independently exploring the development of Japanese traditional garments and its overall apparel market in Japan. In December 1994, he returned to China and independently explored the Chinese apparel market and industrial textile structure. In October 1996, he started working at the marketing centre of China Fashion Association (中國服裝設計師協會), and was later promoted to the deputy secretary general in December 1999 and the supervisor of the marketing centre in February 2001. He was appointed as the deputy director of China's Professional Fashion Models Committee (中國職業時裝模特委員會) in July 2002. Since May 2003, he has been the chairman of the board of directors of Beijing Oriental Bentley Culture Development Co., Ltd. (北京東方賓利文化發展中心). Apart from being a Director, Mr. Yao had not been a director of any listed company in the past three years.

Mr. Yao received silver award for Tokyo 21st Clothing Fashion Paintings and Crafts Exhibition (東京第21屆服飾流行畫和手工藝展) in 1993 and recognition award for Japanese Apparel Fashion Design Contest (日本服飾流行設計比賽) in 1994.

Mr. Yao received his college diploma in journalism from Shenyang Radio and Television University (瀋陽廣播電視大學) in November 1988 and went to Japan for advanced study in 1990. He completed a two-year Japanese language course at Asahi International School (朝日國際學校) in September 1992 and a two years' advanced study in garment design at Tokyo Shimizu Institute (東京清水學院) in September 1994 and received a certificate in garment design.

As at the Latest Practicable Date, Mr. Yao has no interest in the Company within the meaning of Part XV of the SFO. Mr. Yao has entered into a letter of appointment with the Company. His term of appointment is subject to retirement by re-election and rotation at annual general meeting of the Company at least once every three years in accordance with the Articles of Association. Pursuant to the terms of the letter of appointment, Mr. Wang is entitled to a director's fee of RMB180,000 per year which is determined with reference to the market rate and his time, effort and expertise to be exercised on the Company's affairs and the Company's remuneration policy. Mr. Yao's total emoluments (including contributions to retirement benefit scheme) recorded in 2016 were approximately RMB180,000.

Others

As at the Latest Practicable Date, each of the above Directors, save as disclosed herein, did not have any interest in the Shares within the meaning of Part XV of the SFO.

Save as disclosed herein, no Director holds any position with the Company or any other member of the Group, nor has any directorships in other listed companies in the past three years.

In addition, save as disclosed therein, no Director has any relationship with any other Directors, senior management, substantial Shareholders or Controlling Shareholders of the Company.

Save as disclosed herein, there is no other matter relating to the above Directors that needs to be brought to the attention of the Shareholders and there is no other information relating to the above Directors which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

PROCEDURES FOR SHAREHOLDERS TO PROPOSE A PERSON FOR ELECTION AS A DIRECTOR

Article 85 of the Articles of Association provides that:

“No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for election as a Director at any general meeting unless a Notice signed by a Member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also a Notice signed by the person to be proposed of his willingness to be elected shall have been lodged at the head office or at the Registration Office provided that the minimum length of the period, during which such Notice(s) are given, shall be at least seven (7) days and that (if the Notices are submitted after the despatch of the notice of the general meeting appointed for such election) the period for lodgment of such Notice(s) shall commence on the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven (7) days prior to the date of such general meeting.”

For the purpose of the Articles of Association:

- (i) “Head office” means such office of the Company as the Directors may from time to time determine to be the principal office of the Company;
- (ii) “Member” means a duly registered holder from time to time of the shares in the capital of the Company;

- (iii) “Notice” means written notice unless otherwise specifically stated and as further defined in the Articles of Association; and
- (iv) “Registration Office” means, in respect of any class of share capital, such place as the Board may from time to time determine to keep a branch register of Members in respect of that class of share capital and where (except in cases where the Board otherwise directs) the transfers or other documents of title for such class of share capital are to be lodged for registration and are to be registered.

Accordingly, if any Shareholder wishes to nominate a person to stand for election as a Director, the following documents must be lodged at the Company’s head office or at the office of the Company’s branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, namely (i) his/her notice of intention to propose a resolution at the general meeting; (ii) a notice signed by the nominated candidate of the candidate’s willingness to be appointed; (iii) that candidate’s information as required to be disclosed under Rule 13.51(2) of the Listing Rules and such other information, as set out in the below heading “Required information of the candidate(s) nominated by Shareholders”; (iv) the candidate’s written consent to the publication of his/her personal data, no later than 7 days before the Annual General Meeting.

Required information of the candidate(s) nominated by Shareholders

In order to enable Shareholders to make an informed decision on their election of Directors, the above described notice of intention to propose a resolution by a Shareholder should be accompanied by the following information of the nominated candidate(s):

- (a) full name and age;
- (b) positions held with the Company and its subsidiaries (if any);
- (c) experience including (i) other directorships held in the past three years in public companies of which the securities are listed on any securities market in Hong Kong and overseas, and (ii) other major appointments and professional qualifications;
- (d) current employment and such other information (which may include business experience and academic qualifications) of which Shareholders should be aware of, pertaining to the ability or integrity of the candidate;
- (e) length or proposed length of service with the Company;

- (f) relationships with any Directors, senior management, substantial shareholders or controlling shareholders (as defined in the Listing Rules) of the Company, or an appropriate negative statement;
- (g) interests in Shares within the meaning of Part XV of the SFO, or an appropriate negative statement;
- (h) a declaration made by the nominated candidate in respect of the information required to be disclosed pursuant to Rule 13.51(2)(h) to (w) of the Listing Rules, or an appropriate negative statement to that effect where there is no information to be disclosed pursuant to any of such requirements nor there are any other matters relating to that nominated candidate's standing for election as a Director that should be brought to Shareholders' attention; and
- (i) contact details.

The Shareholder proposing the candidate will be required to read out aloud the proposed resolution at the Annual General Meeting.

NOTICE OF THE AGM



HOSA INTERNATIONAL LIMITED

浩沙國際有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 02200)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at 1804A, 18/F, Tower 1, Admiralty Centre, 18 Harcourt Road, Admiralty, Hong Kong, on Friday, 28 April 2017 at 10:30 a.m. for the following purposes:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited consolidated financial statements, the reports of Directors and the auditors of the Group for the year ended 31 December 2016;
2. To declare a final dividend of HK2.3 (equivalent to approximately RMB2.1) per share for the year ended 31 December 2016;
3.
 - (a) To re-elect Mr. Shi Hongliu as an executive Director;
 - (b) To re-elect Mr. Shi Honyan as an executive Director;
 - (c) To re-elect Mr. Yao Ge as an independent non-executive Director;
4. To authorize the Board to fix the Directors' remuneration;
5. To re-appoint KPMG as auditors of the Company and authorize the Board to fix their remuneration;

SPECIAL BUSINESS

6. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“THAT:

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional Shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;

NOTICE OF THE AGM

- (b) the approval in paragraph (a) shall be in addition to any other authorization given to the Directors and shall authorize the Directors during the Relevant Period to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a), otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) the share option scheme of the Company approved by The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”); or (iii) any scrip dividend or similar arrangement providing for the allotment of Shares 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, shall not exceed 20% 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
- (d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; or
- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the Company in general meeting; and

“**Rights Issue**” means an offer of shares open for a period fixed by the Directors to holders of ordinary shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion 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, or the requirements of any regulatory body or any stock exchange in, any territory outside Hong Kong).”

7. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to purchase issued Shares in the capital of the Company, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time, be and is hereby generally and unconditionally approved;

NOTICE OF THE AGM

- (b) the approval in paragraph (a) shall be in addition to any other authorization given to the Directors and shall authorize the Directors on behalf of the Company during the Relevant Period to procure the Company to purchase its Shares at a price determined by the Directors;
- (c) the aggregate nominal amount of Shares of the Company which are authorized to be purchased by the Directors pursuant to the approval in paragraph (a) above 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
- (d) for the purposes of this resolution:

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; or
- (iii) the date on which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the Company in general meeting.”

8. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT** conditional upon the passing of resolution Nos. 6 and 7 above, the general mandate to the Directors pursuant to resolution No. 6 be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of share capital of the Company purchased by the Company under the authority granted pursuant to the resolution No. 7, 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
Hosa International Limited
Shi Hongliu
Chairman

Hong Kong, 27 March 2017

NOTICE OF THE AGM

Notes:

- (1) A member entitled to attend and vote at the above meeting may appoint one or, if he holds two or more shares, more proxies to attend and vote instead of him. A proxy need not be a member of the Company. On a poll, votes may be given either personally or by proxy.
- (2) Where there are joint holders of any Share, any one of such joint holder may vote, either in person or by proxy, in respect of such Share as if he were solely entitled thereto, but if more than one of such joint holders be present at the Meeting, the vote of the senior holder 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.
- (3) In order to be valid, a form of proxy together with the power of attorney (if any) or other authority (if any) under which it is signed or a certified copy thereof shall be deposited at the Company's branch share registrar in Hong Kong, 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 the holding of the meeting or any adjournment thereof. The proxy form will be published on the website of the Stock Exchange.
- (4) The register of members of the Company will be closed from Tuesday, 25 April 2017 to Friday, 28 April 2017 both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Monday, 24 April 2017.

The register of members of the Company will be closed from Monday, 8 May 2017 to Wednesday, 10 May 2017, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to receive the proposed final dividend, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Friday, 5 May 2017.

- (5) The completion of a form of proxy will not preclude you from attending and voting at the Annual General Meeting in person should you so wish. If you attend and vote at the Annual General Meeting, the authority of your proxy will be revoked.
- (6) Shareholders of the Company whose names appear on the Register of Members on Friday, 28 April 2017 are entitled to attend and vote at the Annual General Meeting or any adjourned meetings, and subject to approval of the payment of the final dividend by the Shareholders at the Annual General Meeting, Shareholders whose names appear on the Register of Members on Wednesday, 10 May 2017 are entitled to the final dividend.
- (7) There will be three Director vacancies to be filled at the above meeting following the retirement of Mr. Shi Hongliu, Mr. Shi Hongyan and Mr. Yao Ge. If a Shareholder wishes to propose a person the ("**Candidate**") to stand for election as a Director, (i) a notice signed by a Shareholder of the Company (other than him/herself) duly qualified to attend and vote at the Annual General Meeting of his/her intention to propose the Candidate for election; (ii) a notice signed by the Candidate of his/her willingness to be elected; (iii) that Candidate's information as required to be disclosed under Rule 13.51(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited; and (iv) the Candidate's written consent to the publication of his/her personal data, must be lodged at the head office of the Company or the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong with minimum notice(s) period of at least seven days, and that the period of lodgment of such notice(s) shall commence on the day after the date of the dispatch of the AGM Notice and end no later than seven days prior to Friday, 28 April 2017.