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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)

DISCLOSEABLE TRANSACTION

**COMPLETION OF
ACQUISITION OF 30% EQUITY INTEREST IN THE TARGET
AND
PROVISION OF LOAN TO THE TARGET**

Reference is made to the announcement of Hosa International Limited (the “**Company**”) dated 31 October 2017 relating to the captioned transaction of the Company (the “**Announcement**”). Unless otherwise stated, terms used herein shall have the same meanings as those defined in the Announcement.

The Company is pleased to announce that:

- (i) Haosha Industry (as lender) has made the Loan in the amount of RMB100 million to the Target (as borrower) on the Drawdown Date; and
- (ii) All the conditions precedents under the Investment Agreement have been fulfilled and that the Completion of the Acquisition took place on 19 December 2017. Upon the Completion, the Company is interested in 30% of the enlarged equity interest in the Target.

The Target has been primarily engaged in the development of FitHub. As a health APP dedicated to fitness training and coaching, FitHub offers integrated fitness services, including fitness videos, fitness instructor live programs and social community. FitHub targets at novice players and those interested in professional training. As at 26 December 2017, FitHub had 2.1 million users and boasted a library of 350 video clips with total broadcasting hours of 270 hours and over 24 million visits.

The investment in the Target will help the Company achieve four strategic objectives in one goal. First, with FitHub as a platform for new retail business, the Company can realize the “online-offline integration” as QR code shopping and electronic payment can be easily achieved through the platform. Secondly, the Company can develop customer relationship management through FitHub’s membership system. Thirdly, FitHub can help the Company expand the customer base as targeted customers of FitHub, who are sports and fitness enthusiasts, are expected to turn into new customers of Hosa. Last but not the least, the Company can promote and improve Hosa’s brand image through FitHub by promoting Hosa’s products in the fitness courses and videos.

As the platform continues to accumulate users as time goes by, FitHub will become a strong online sales platform. As a key sportswear market player that has been engaging in research, production and sales of sports and fitness wear for over 20 years, the Company is committed to offering convenience to novice fitness players for choosing and purchasing sports and fitness products.

By the order of the Board
Hosa International Limited
Shi Hongliu
Chairman

Hong Kong, 29 December 2017

As at the date of this announcement, the executive directors are Mr. Shi Hongliu, Mr. Shi Hongyan, Mr. Shi Zhixiong and Mr. Lui Wai Ming, and the independent non-executive directors are Ms. Ko Yuk Lan, Mr. Yao Ge and Mr. He Wenyi.