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HOSA INTERNATIONAL LIMITED

浩沙國際有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 02200)

**VOLUNTARY ANNOUNCEMENT
IN RELATION TO NON-LEGALLY BINDING LETTER OF INTENT
FOR PROPOSED ACQUISITION OF FITNESS CENTRES**

This announcement is made by Hosa International Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to keep the shareholders and potential investors of the Company informed of the latest business development of the Group.

The board of directors of the Company (the “**Board**”) is pleased to announce that, on 11 June 2018 (during non-trading hours), the Company entered into a non-legally binding letter of intent with Mr. Shi Hongliu and Mr. Shi Hongyan (collectively, “**Controlling Shareholders**”), executive directors and controlling shareholders of the Company, to confirm the Group’s intention to acquire fitness centres in China from the Controlling Shareholders, subject to the entering into of definitive agreement. Fitness centres will be a key component of the Group’s sports territory. The proposed acquisition, if materialized, will serve as an important element for realizing the new retail strategy of the Group and integrating the online and offline layouts. Through the proposed acquisition, the Group intends to strategically achieve horizontal business expansion and create synergies among its different business sectors. Meanwhile, the Group believes this proposed acquisition, if completed, will enhance the overall profitability of the Group.

The proposed acquisition, if materialized, may constitute a connected and notifiable transaction for the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong (the “**Listing Rules**”). Further announcement(s) will be made by the Company as and when appropriate in accordance with the requirements under the Listing Rules.

Shareholders and potential investors of the Company should note that the Group has not entered into any definitive agreement in relation to the proposed acquisition, and the proposed acquisition may or may not proceed. Accordingly, shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Hosa International Limited
Shi Hongliu
Chairman

Hong Kong, 11 June 2018

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 Mr. Yau Chi Ming, Mr. Yao Ge and Mr. He Wenyi.