

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**Meitu, Inc.**

美图公司

*(Incorporated in the Cayman Islands with limited liability and carrying on business in Hong Kong as “美图之家”)*

**(Stock Code: 1357)**

## **VOLUNTARY ANNOUNCEMENT - BUSINESS UPDATE**

This is a voluntary announcement made by Meitu, Inc. (the “**Company**”, together with its subsidiaries and Xiamen Meitu Networks Technology Co., Ltd. and its subsidiaries, collectively the “**Group**”) to keep the shareholders of the Company (the “**Shareholders**”) and potential investors informed of the latest business developments concerning the Group.

On August 8, 2018, the Company held a press conference on strategy in Beijing, in which the Company announced its new strategy surrounding “*beauty and social media*”. One of the most important pieces of this new strategy is the transformation of *Meitu*, our photo-editing app, into a social media platform app. Through this new strategy, the Group aims to enhance user engagement of its internet products, and ultimately, further enhance the monetization potential of its internet businesses.

In association with this new strategy, over the next 18 months, the Group expects to significantly increase its investment in building a content ecosystem, brand marketing expenditures and investment in research and development for innovative product features to facilitate the transformation of *Meitu* into a successful social media platform. During this phase of investment, the Group will focus on driving active user growth and gross profit growth of its internet businesses, and these investments and expenditures are likely to have a corresponding impact on the Group's net profit.

The Board is of the view that this new strategy will maximize long-term value for the Shareholders. The Group will continue to closely monitor the market and industry environment and shall keep the Shareholders and potential investors informed of any material developments.

By order of the Board

**Meitu, Inc.**

**Cai Wensheng**

*Chairman*

Hong Kong, August 8, 2018

*As at the date of this announcement, the executive directors of the Company are Mr. Cai Wensheng and Mr. Wu Zeyuan (also known as: Mr. Wu Xinhong); the non-executive directors of the Company are Dr. Guo Yihong and Dr.*

*Lee Kai-fu; the independent non-executive directors of the Company are Mr. Ko Chun Shun Johnson, Mr. Zhou Hao and Professor Zhang Shoucheng.*