

*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.*



## **Cosmo Lady (China) Holdings Company Limited**

## **都市麗人(中國)控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock code: 2298)**

### **INSIDE INFORMATION**

### **MAIN TERMS ENTERED INTO WITH JD CENTURY IN RELATION TO PROPOSED ESTABLISHMENT OF FUND**

This announcement is made pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board is pleased to announce that, on 7 February 2018, Cosmo Lady Guangdong (a wholly-owned subsidiary of the Company), JD Century (a wholly-owned subsidiary of JD) and Li Guo Cheng (as representative of the Fund Management Team) have entered into the Main Terms, pursuant to which Cosmo Lady Guangdong intends to establish the Cooperation Fund with JD Century and the Fund Management Team to be used primarily for industry mergers and acquisitions and consolidation of resources which are suitable to the business of the Group.

#### **Main Terms**

<b>Date</b>	7 February 2018
<b>Parties</b>	<p>Cosmo Lady Guangdong, JD Century and Li Guo Cheng (as representative of the Fund Management Team)</p> <p>To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, JD Century and its ultimate beneficial owner(s) and Li Guo Cheng are Independent Third Parties.</p>
<b>Establishment of the Cooperation Fund and Investment Target</b>	<p>Pursuant to the Main Terms, Cosmo Lady Guangdong, JD Century and the Fund Management Team intend to jointly establish the Cooperation Fund. It is expected that the target size of the Cooperation Fund is RMB1,000,000,000, with the size to be expanded later based on actual needs. Initial capital contribution is expected to be no less with RMB350,000,000, among which Cosmo Lady Guangdong is expected to commit RMB250,000,000, and JD Century is expected to commit RMB100,000,000. The Fund Management Team may also make capital contribution to the fund, provided that its capital contribution shall not exceed 5% of the aggregate</p>

initial capital contribution.

The investment target of the Cooperation Fund is primarily companies involved in the business of intimate wear brands, its upstream and downstream businesses and relevant industries.

<b>Term of the Cooperation Fund</b>	It is expected that the term of the Cooperation Fund shall be eight years, which may be extended twice, with each extension being a period of one year.
<b>Legally Binding Effect</b>	Save for the “confidentiality”, “allocation of fees”, “applicable laws and dispute resolutions” provisions, the Main Terms shall not be legally binding on the parties and the Proposed Fund Establishment. The rights and obligations of respective parties shall be subject to the final formal agreement.

## **Reasons for the Proposed Fund Establishment**

The Group is principally engaged in the designing, marketing and selling of intimate wear products in the PRC. It is the intention of the Group to further expand its income source and explore any investment opportunities with synergy effect with a view to enhance the Shareholders’ value. As such, the Group wishes to utilize its wealth of industry experience in the intimate wear product industry to develop an industry fund that will principally invest in intimate wear related industries within and outside PRC, which shall be used primarily for industry mergers and acquisitions and consolidation of resources that are suitable to the business of the Group, and in turn further expand the Group’s exposure and footprint in the global intimate wear industry.

JD Group is a leading integrated E-commerce retailer in the PRC which is principally engaged in online businesses. As JD Century will participate in the investment management of the Cooperation Fund, leveraging on years of investment experience of JD Group in different fields, the Group is optimistic about the development of the Cooperation Fund.

The Directors are of the view that the proposed terms in the Main Terms are fair and reasonable and that the Proposed Fund Establishment is in the interests of the Company and the Shareholders as a whole.

## **GENERAL**

In the event that the Proposed Fund Establishment materialises, it may constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules. Further announcement(s) will be made by the Company in accordance with the applicable requirements of the Listing Rules as and when appropriate.

**Shareholders and potential investors should note that the Proposed Fund Establishment may or may not materialise as no formally binding documentation has been entered into and negotiations are still in progress, and the terms of the Proposed Fund Establishment have yet to be finalized subject to the entering into of definitive binding documentation. Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

## **DEFINITIONS**

In this announcement, unless the context requires otherwise, the following terms shall have the following meanings:

“Board”	the board of Directors
“Company”	Cosmo Lady (China) Holdings Company Limited, a company incorporated in the Cayman Islands with limited liability and its shares listed on the Main Board of the Stock Exchange (Stock Code: 2298)

“Cooperation Fund”		the fund to be established pursuant to the Main Terms
“Cosmo Lady Guangdong”		Cosmo Lady Guangdong Holdings Limited (廣東都市麗人實業有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Directors”		directors of the Company
“Fund Management Team”		the fund management team to be arranged by Cosmo Lady Guangdong which will provide relevant services to the Cooperation Fund
“Group”		the Company and its subsidiaries
“Hong Kong”		the Hong Kong Special Administrative Region of the PRC
“Independent Party(ies)”	Third	third party(ies) independent of the Company and its connected persons (as defined in the Listing Rules)
“JD”		JD.com, Inc, a company incorporated in the Cayman Islands with limited liability and a leading integrated E-commerce retailer in the PRC whose shares are listed on NASDAQ (ticker: JD), and “JD Group” refers to JD and its subsidiaries
“JD Century”		Beijing Jingdong Century Trading Co., Ltd (北京京東世紀貿易有限公司), a company incorporated in the PRC with limited liability and an indirect wholly-owned subsidiary of JD
“Listing Rules”		the Rules Governing the Listing of Securities on the Stock Exchange
“Main Terms”		the cooperation agreement main terms entered into between Cosmo Lady Guangdong, JD Century and Li Guo Cheng (as representative of the Fund Management Team) dated 7 February 2018 in respect of the Proposed Fund Establishment
“PRC”		the People’s Republic of China
“Proposed Establishment”	Fund	the proposed establishment of the Cooperation Fund by the parties pursuant to the Main Terms
“RMB”		Renminbi, the lawful currency of the PRC
“Shareholders”		holder(s) of the share(s) of the Company
“Stock Exchange”		The Stock Exchange of Hong Kong Limited
“%”		per cent

By Order of the Board  
**Cosmo Lady (China) Holdings Company Limited**  
**Zheng Yaonan**  
*Chairman*

Hong Kong, 7 February 2018

*As at the date of this announcement, the Board comprises Mr. Zheng Yaonan, Mr. Zhang Shengfeng, Mr. Lin Zonghong, Mr. Cheng Zuming and Ms. Wu Xiaoli as executive directors of the Company; Mr. Wen Baoma and Mr. Yang Weiqiang as non-executive directors of the Company; and Mr. Yau Chi Ming, Dr. Dai Yiyi, Mr. Chen Zhigang and Mr. Lu Hong Te as independent non-executive directors of the Company.*