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La Chapelle

上海拉夏貝爾服飾股份有限公司 Shanghai La Chapelle Fashion Co., Ltd.

(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 06116)

ANNOUNCEMENT OF CERTAIN UNAUDITED KEY PERFORMANCE INDICATORS SELECTED BY THE COMPANY IN RELATION TO THE APPAREL INDUSTRY FOR THE FIRST QUARTER ENDED 31 MARCH 2018

This announcement is made by Shanghai La Chapelle Fashion Co., Ltd. (the “Company”) pursuant to Rule 13.09 and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The board of directors and all directors of the Company declare that there are no false statements, misrepresentations or material omissions, and are jointly and severally responsible for the truthfulness, accuracy and completeness of the contents of this announcement.

The following disclosure in relation to the key performance indicators of the Company for the first quarter of 2018 was prepared in accordance with the Guideline on Information Disclosure for Listed Companies No.12 – Apparel published by the Shanghai Stock Exchange:

1. PROFITABILITY BY PRINCIPAL BRAND

Brand	Revenue (RMB'000)	Cost of sales (RMB'000)	Gross Profit Margin (%)	Revenue	Cost of sales	Gross profit
				increase or decrease compared to the same period last year (%)	increase or decrease compared to the same period last year (%)	margin increase or decrease compared to the same period last year (percentage point(s))
La Chapelle	614,709	217,667	64.59	8.16	6.36	0.60
Puella	497,566	191,774	61.46	-2.47	4.79	-2.67
Candie's	182,599	74,775	59.05	22.48	26.29	-1.23
7 Modifier	440,037	171,172	61.10	14.58	19.82	-1.70
La Babité	355,364	133,800	62.35	15.24	21.28	-1.88
Menswear	193,936	82,465	57.48	28.94	34.44	-1.74

2. PROFITABILITY BY ONLINE AND OFFLINE DISTRIBUTION CHANNEL

Distribution Channel	Revenue (RMB'000)	Cost of sales (RMB'000)	Gross Profit Margin (%)	Revenue increase or decrease compared to the same period last year (%)	Cost of sales increase or decrease compared to the same period last year (%)	Gross profit margin increase or decrease compared to the same period last year (percentage points)
Concessionaire counters	1,112,610	464,945	58.21	0.66	5.94	-2.08
Standalone retail outlets	1,124,737	414,557	63.14	16.90	25.20	-2.44
E-commerce	303,467	127,135	58.11	21.52	17.42	1.46

3. PROFITABILITY OF DIRECT SELLING STORES

Types of retail stores	Revenue (RMB'000)	Cost of sales (RMB'000)	Gross Profit Margin (%)	Revenue increase or decrease compared to the same period last year (%)	Cost of sales increase or decrease compared to the same period last year (%)	Gross profit margin increase or decrease compared to the same period last year (percentage points)
Direct selling stores	2,237,347	879,502	60.69	8.22	14.22	-2.06

4. STATUS OF RETAIL STORES

Brand	Type of retail stores	Number of retail stores as at the end of 2017	Number of retail stores as at the end of March 2018	Number of stores opened during the reporting period	Number of stores closed during the reporting period
La Chapelle	Direct selling	1,975	2,017	91	49
Puella	Direct selling	2,116	2,113	62	65
Candie's	Direct selling	944	932	20	32
7 Modifier	Direct selling	1,716	1,731	55	40
La Babité	Direct selling	1,562	1,585	59	36
Menswear	Direct selling	675	687	42	30
Others	Direct selling/Franchise	460	475	42	27
Total		9,448	9,540	371	279

5. REVENUE BY TIER OF CITIES

Tier of cities	Number of retail stores as at the end of March 2018	Revenue for the 3 months ended 31 March 2018 (RMB '000)	Percentage of total (%)
First-tier cities	835	296,036	11.62
Second-tier cities	3,560	1,091,404	42.82
Third-tier cities	2,665	619,150	24.30
Other cities	2,480	541,784	21.26
Total	9,540	2,548,374	100.00

Note: In respect of the classification of the tier of cities, please refer to the prospectus of the Company dated 24 September 2014.

By Order of the Board
Shanghai La Chapelle Fashion Co., Ltd.
Mr. Xing Jiaying
Chairman

Shanghai, the PRC, 26 April 2018

As of the date of this announcement, the executive directors of the Company are Mr. Xing Jiaxing and Mr. Yu Qiang; the non-executive directors of the Company are Mr. Lu Weiming and Mr. Luo Bin; the independent non-executive directors of the Company are Dr. Chen Jieping, Mr. Zhang Zeping and Mr. Chan, Wing Yuen Hubert.