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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)**

### **TERMINATION OF INVESTMENT IN RELATION TO SUBSCRIPTION OF PREFERRED SHARES IN BECOOL AND DEMAND FOR REPAYMENT OF OUTSTANDING LOAN BY CHENGU BECOOL**

References are made to (i) the announcement (the “**17 February Announcement**”) of Shanghai La Chapelle Fashion Co., Ltd. (the “**Company**”) dated 17 February 2017 in relation to an investment of the subscription of certain New Preferred Shares in BeCool (the “**Subscription**”) by LaCha Fashion (a wholly-owned subsidiary of the Company); and (ii) the announcements of the Company dated 7 July 2017 and 6 February 2018 (the “**Subsequent Announcements**”) in relation to the delay in completion of the Subscription. Terms used in this announcement shall have the same meanings as those defined in the 17 February Announcement unless the context requires otherwise.

#### **BACKGROUND**

Pursuant to the Share Purchase Agreement, completion of the Subscription is subject to the satisfaction and/or waiver (if applicable) of certain conditions precedent as set out in the Share Purchase Agreement, which shall be fulfilled or waived by 30 June 2017 (the “**Long-Stop Date**”). As disclosed in the Subsequent Announcements, LaCha Fashion and BeCool agreed in writing to extend the Long-Stop Date for the completion of the Subscription by LaCha Fashion to 16 February 2018, and further to 16 August 2018.

#### **TERMINATION NOTICE**

As LaCha Fashion has not obtained certain government approvals, completion of the Subscription has not taken place. On 16 August 2018, LaCha Fashion entered into a termination notice with BeCool to terminate the Subscription by LaCha Fashion with immediate effect (the “**Termination Notice**”). Upon termination, neither party shall be under any obligations and liabilities towards the other parties in respect of the Share Purchase Agreement.

In addition, on 16 August 2018, the Company has also served a repayment notice on Chengdu BeCool (the “**Repayment Notice**”), demanding repayment of the outstanding loan in the amount of RMB5,000,000 under the loan agreement entered into between the Company and Chengdu BeCool dated 17 February 2017, which was subsequently extended in writing on 16 February 2018 and further to 16 August 2018.

The Company believes that entering into the Termination Notice and serving the Repayment Notice will not cause any material adverse impact to the Group’s business and operational activities.

As set out in the 17 February Announcement, LaCha Fashion is a wholly-owned subsidiary of the Company. As LC Funds VII is an associate of LC Fund IV at all material times, and LC Fund IV indirectly controls Good Factor Limited, a substantial shareholder of the Company at the time when the Share Purchase Agreement was entered into, LC Fund VII and LC Parallel Fund VII were therefore connected persons of the Company as at the date of the 17 February Announcement. As such, the Subscription contemplated under the Share Purchase Agreement constituted a connected transaction of the Company under Rule 14A.23 of the Listing Rules as at the date of the 17 February Announcement.

Subsequent to the date of the Share Purchase Agreement, Good Factor Limited disposed all of the H Shares in the Company held by Good Factor Limited in April 2017. Accordingly, Good Factor Limited has ceased to be a substantial shareholder of the Company and hence LC Fund VII and LC Parallel Fund VII have ceased to be connected persons of the Company.

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

Shanghai, the People’s Republic of China  
16 August 2018

*As of the date of this announcement, the executive directors of the Company are Mr. Xing Jiaying 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.*