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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)

UPDATE ON DISCLOSEABLE TRANSACTION DISPOSAL OF FUND INTERESTS

Reference is made to the announcement of the Company dated 21 June 2019 (the “**Announcement**”), in which the Board announced that the Board resolved on 21 June 2019 to approve a proposal pursuant to which the Vendor (a wholly-owned subsidiary of the Company) proposed to enter into the Fund Interest Transfer Agreement with the Purchasers and the General Partner. Unless otherwise defined, terms used herein shall have the same meanings as those defined in the Announcement.

THE DISPOSAL

The Board announces that on 24 June 2019, the Vendor entered into the Fund Interest Transfer Agreement with the Purchasers and the General Partner, the principal terms of which have been disclosed in the Announcement and remain unchanged. In particular, the Purchasers have agreed to purchase and the Vendor has agreed to sell the Target Fund Interests, representing 98.04% of the partnership interests in the Target Fund (the “**Disposal**”).

Pursuant to the terms of the Fund Interest Transfer Agreement, completion of the Disposal has taken place on the date of the Fund Interest Transfer Agreement, upon which the Group has ceased to have any interest in the Target Fund.

Taking into account the reasons for and benefits of the Disposal as set out in the Announcement, the Directors (including the independent non-executive Directors) are of the view that the terms of the Fund Interest Transfer Agreement and the transactions contemplated thereunder are fair and reasonable and in the interest of the Company and its shareholders as a whole.

Please refer to the Announcement for further details on (i) the information of the Target Fund, (ii) the financial effect of the Disposal, (iii) the information on the Group and (iv) the information on the Purchasers.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the applicable percentage ratios calculated in accordance with the Listing Rules in respect of the Disposal are more than 5% but less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the announcement requirement under Chapter 14 of the Listing Rules.

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

Shanghai, the People's Republic of China
24 June 2019

As at the date of this announcement, the executive directors of the Company are Mr. Xing Jiaying, Mr. Mao Jianong, Mr. Yu Qiang and Ms. Hu Lijie; 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.