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La Chapelle

新疆拉夏貝爾服飾股份有限公司

Xinjiang La Chapelle Fashion Co., Ltd.

(formerly known as “Shanghai La Chapelle Fashion Co., Ltd.

(上海拉夏貝爾服飾股份有限公司)”)

(a joint stock company incorporated in the People’s Republic of China with limited liability)

(Stock code: 06116)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE EARLY SETTLEMENT OF REMAINING CONSIDERATION FOR THE

DISCLOSEABLE AND CONNECTED TRANSACTION IN RELATION TO THE DISPOSAL OF 54.05% EQUITY INTEREST IN ANSHE E-COMMERCE

Reference is made to (i) the announcements of Xinjiang La Chapelle Fashion Co., Ltd. (the “**Company**”) dated 7 May 2019 (the “**Initial Announcement**”) and 31 May 2019 in relation to the disposal of 54.05% equity interest in Anshe E-Commerce (then a non-wholly owned subsidiary of the Company), representing the entire equity interest then held by the Company in Anshe E-Commerce, at the Consideration of RMB200,000,000, and the completion thereof, and (ii) the announcement of the Company dated 2 February 2021 (the “**Update Announcement**”) (collectively, the “**Announcements**”) in relation to the Supplemental Agreement for the early settlement of the Remaining Consideration, pursuant to which, among other things, the Remaining Consideration (being the sum of RMB90,000,000) was adjusted downwards to the Adjusted Remaining Consideration (being the sum of RMB81,000,000). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as defined in the Announcements.

As disclosed in the Initial Announcement, as at the date of the Equity Transfer Agreement, the Purchaser was wholly owned by Ms. Cao, who held a 23.86% equity interest in Anshe E-Commerce, and the Purchaser was an associate of a substantial shareholder of Anshe E-Commerce and was therefore a connected person of the Company at the subsidiary level, and accordingly, the Equity Transfer Agreement and the transactions contemplated thereunder constituted a connected transaction of the Company under Chapter 14A of the Hong Kong Listing Rules. As (i) the Board had approved the Equity Transfer Agreement and the transactions contemplated thereunder; and (ii) the Independent Non-executive Directors had confirmed that the terms of the Equity Transfer Agreement and the transactions contemplated thereunder were fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole, pursuant to Rule 14A.101 of the Hong Kong Listing

Rules, the Equity Transfer Agreement and the transactions contemplated thereunder were subject only to the reporting and announcement requirements, and were exempt from the circular, independent financial advice and independent shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

The Company wishes to provide the Shareholders and potential investors of the Company with the following additional information in relation to the implications of Hong Kong Listing Rules on the Supplemental Agreement and the transactions contemplated therein.

LISTING RULES IMPLICATIONS OF THE SUPPLEMENTAL AGREEMENT

Pursuant to the note to Rule 14A.35 of the Hong Kong Listing Rules, if there is any material variation of the terms of a connected transaction, the listed issuer must re-comply with all other applicable provisions under the Hong Kong Listing Rules.

In light of the variation of terms of the Equity Transfer Agreement pursuant to the Supplemental Agreement as disclosed in the Update Announcement, (i) the Board has approved the Supplemental Agreement and the transactions contemplated therein, and (ii) the Independent Non-executive Directors has confirmed that the terms of the Supplemental Agreement and the transactions contemplated thereunder were fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole. Pursuant to Rule 14A.101 of the Hong Kong Listing Rules, the Supplemental Agreement and the transactions contemplated thereunder are exempt from the circular, independent financial advice and independent Shareholders' approval requirements under Chapter 14A of the Hong Kong Listing Rules.

Save as disclosed above, all other information set out in the Update Announcement remains unchanged.

By Order of the Board
Xinjiang La Chapelle Fashion Co., Ltd.
Mr. Wu Jinying
Chairman

Shanghai, the People's Republic of China
22 February 2021

As of the date of this announcement, the executive directors of the Company are Mr. Wu Jinying, Ms. Zhang Ying and Ms. Zhang Danling; the non-executive director of the Company is Mr. Yin Xinzai; the independent non-executive directors of the Company are Mr. Xing Jiangze, Ms. Wong Sze Wing and Mr. Zhu Xiaozhe.