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LAUNCH

深圳市元征科技股份有限公司 LAUNCH TECH COMPANY LIMITED*

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock code: 2488)

STRATEGIC BUSINESS COOPERATION WITH TMALL TECHNOLOGY RESUMPTION OF TRADING OF SHARES

This announcement is made by the board of directors of the Company (the “**Board**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the inside information provisions 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 19 November 2018, the Company entered into a strategic business cooperation agreement (the “**Business Cooperation Agreement**”) with 浙江天貓技術有限公司 (Zhejiang Tmall Technology Co., Ltd.*) (“**Tmall Technology**”), a company established in the People's Republic of China (the “**PRC**”) with limited liability and an indirect wholly-owned subsidiary of Alibaba Group Holding Limited (“**Alibaba Holding**”, together with its subsidiaries, the “**Alibaba Group**”) pursuant to which the Company and Tmall Technology agreed to utilise their respective resources, expertise and experience to explore various possible in-depth cooperation with each other.

With a view to further promote the brands and development of the Company and its subsidiaries (the “**Group**”) in the automotive aftermarket and the automobile industry in the PRC, it was agreed between the Company and Tmall Technology (the “**Parties**”) that the designated affiliate(s) of Tmall Technology as referred to in the Business Cooperation Agreement (the “**Tmall Designated Entities**”) shall cooperate with the Group in the following manners:-

- (i) The Parties to cooperate closely with each other to provide better customer services in the automotive aftermarket industry.
- (ii) The Tmall Designated Entities to cooperate with the Group and provide available services to the automotive aftermarket retail shops that are customers of the Group.

- (iii) The Tmall Designated Entities to establish business cooperation with the Group on supply chain service business which shall include (but not limited to) the following:-
 - (a) the Group to collaborate with the Tmall Designated Entities in the provision of automotive aftermarket supply chain services and products to customers of the Group; and
 - (b) the Group to provide marketing channels and promote the automotive aftermarket supply chain services and products as supplied by the Tmall Designated Entities.
- (iv) The Group to cooperate with Tmall Technology and the Tmall Designated Entities on the development and operation of technician operation platforms.
- (v) Tmall Designated Entities to have the first priority to collaborate with the Group in relation to the automotive aftermarket promotion projects.
- (vi) Subject to compliance with applicable laws and policies of private data protection, the Group and the Tmall Designated Entities to collaborate in big data analysis and application.
- (vii) The Group and the Tmall Designated Entities to establish business cooperation on promotion and marketing of automotive aftermarket service projects of the Group.
- (viii) With regard to any potential or new business opportunities of the Group, Tmall Technology and the Tmall Designated Entities to have the right of first refusal in exploring such business opportunities with the Group.

INFORMATION ON TMALL TECHNOLOGY

To the best of the Board's knowledge, information and belief and having made all reasonable enquiries, Tmall Technology (i) is a company incorporated under the laws of the PRC and an indirect wholly-owned subsidiary of Alibaba Holding, and (ii) is principally engaged in the provision of software and technology services for the Tmall platform.

To the best of the Board's knowledge, information and belief, and having made all reasonable enquiries, Tmall Technology, Alibaba Holding and their ultimate beneficial owners are all third parties independent of the Company and its connected persons (as defined in the Listing Rules).

REASONS FOR AND BENEFITS OF THE STRATEGIC BUSINESS COOPERATION

The Board considers that the Business Cooperation Agreement demonstrates Alibaba Group's confidence towards the automotive aftermarket and the automobile industry in the PRC and the future development prospects of the Group.

With the business cooperation with the Tmall Designated Entities in the aftermarket industry, the Company expects that more potential application scenarios will be discovered by leveraging on the Company's existing technology, products and data capabilities accrued over the years. The Company also anticipates that such potential application scenarios may bring business growth opportunities, enhance its brand awareness and strengthen its brand image, as well as exploring and implementing new business models based on big data to transform the Company's revenue structure, thereby resulting in potential revenue and profitability growth.

The Board further considers that the cooperation contemplated under the Business Cooperation Agreement is in the usual course of business of the Company and the terms of the Business Cooperation Agreement are based on normal commercial terms and are fair and reasonable and in the interests of the Company and its shareholders as a whole.

The Business Cooperation Agreement provides a framework within which the Group and Tmall Technology shall cooperate with each other, and the Group and Tmall Technology may enter into definitive agreements to provide in detail the scope of cooperation and specific cooperation plans between the Group and the Alibaba Group when the need arises.

IMPLICATIONS UNDER THE LISTING RULES

The Board has reviewed the arrangements contemplated under the Business Cooperation Agreement and is of the view that none of them would constitute a notifiable transaction (as defined in Chapter 14 of the Listing Rules) for the Company.

RESUMPTION OF TRADING OF SHARES

Trading of the shares of the Company (the "**Shares**") has been halted since 9:00 a.m. on 19 November, 2018 pending the issue of this announcement. The Company has applied to The Stock Exchange of Hong Kong Limited for resumption of trading of Shares from 9:00 a.m. on 20 November 2018.

GENERAL

The Company will make further announcements regarding any material progress in respect of the above matters as and when appropriate.

By Order of the Board
Launch Tech Company Limited
Liu Xin
Chairman

Hong Kong, 19 November 2018

* *For identification purpose only*

As at the date of this announcement, the Board comprises Mr. Liu Xin (Chairman), Mr. Liu Jun, Ms. Huang Zhao Huan and Mr. Jiang Shiwen as executive directors, Ms. Xia Hui as non-executive director, and Mr. Liu Yuan, Ms. Zhang Yan and Mr. Ning Bo as independent non-executive directors.