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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.
(IN LIQUIDATION)

*(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)*

ANNOUNCEMENT OF THE ADMINISTRATOR IN RELATION TO THE COURT’S RULING ON REORGANISATION OF THE COMPANY

This announcement is made by the administrator of Xinjiang La Chapelle Fashion Co., Ltd. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2), Rule 13.10B and Rule 13.25 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 of the Laws of Hong Kong).

Reference is made to the announcement of the Company dated 14 October 2022 in relation to the petition for liquidation of the Company by a creditor, the announcement of the Company dated 3 February 2023 in relation to the decision of the court to accept the petition from a creditor for liquidation of the Company, the clarification announcement of the Company dated 6 February 2023, the announcement of the administrator of the Company dated 8 February 2023 in relation to the notice of filing claims of the creditors and convening of the first creditors’ meeting, the announcement of the administrator of the Company dated 24 May 2023 in relation to the information regarding the convening of the first creditors’ meeting of the Company, the announcement of the administrator of the Company dated 5 June 2023 in relation to the voting results of the first creditors’ meeting of the Company, the announcement of the administrator of the Company dated 20 June 2023 in relation to the pre-invitation for intended investors for the bankruptcy liquidation case of the Company and the announcement of the administrator of the Company dated 30 August 2023 in relation to the application for reorganisation of the Company (the “**Announcements**”).

Unless otherwise defined, capitalised terms used in this announcement shall have the same meaning as defined in the Announcements.

I. OVERVIEW

A creditor of the Company had presented a liquidation petition to the Shanghai No.3 Intermediate People's Court* (上海市第三中級人民法院) (the “**Court**”) for the reason that the Company was unable to repay its debts as they fell due. The Court decided to accept the case and designated King & Wood Mallesons (Beijing), Shanghai Branch* (北京市金杜律師事務所上海分所) to act as the administrator of the Company. Under the host of the Court, the first creditors' meeting of the case of the bankruptcy liquidation of the Company was held at 2:00 p.m. on 24 May 2023 via online conference. Members of the judicial panel, the administrator, representatives of the debtor, and creditors who have declared their claims or their proxies attended the first creditors' meeting, at which the Property Management Plan* (《財產管理方案》) and the Resolution in relation to Off-site Verification of Creditor's Rights and Voting* (《關於以非現場形式核查債權及表決的議案》) were passed. The administrator of the Company published the Announcement on Pre-Invitation for Intended Investors for the Bankruptcy Liquidation Case of Xinjiang La Chapelle Fashion Co., Ltd.* (《新疆拉夏貝爾服飾股份有限公司破產清算案意向投資人預招募公告》) (the “Pre-Invitation for Intended Investors”) on the National Enterprise Bankruptcy and Reorganisation Case Information Website* (全國企業破產重整案件信息網) (<http://pccz.court.gov.cn>) on 20 June 2023. The Company submitted the application for reorganisation to the Court on 29 August 2023 to request the court to order the entering into of bankruptcy reorganisation procedure of the Company. For details, please refer to the Announcements.

II. UPDATE ON THE APPLICATION FOR REORGANISATION

On 13 September 2023, the Company learnt that the Court published the (2023) Hu 03 Po No. 64 Announcement* ((2023) 滬03破64號《公告》) on the National Enterprise Bankruptcy and Reorganisation Case Information Website* (全國企業破產重整案件信息網) and that the Court decided to accept the application of the Company for reorganisation. The contents of the (2023) Hu 03 Po No. 64 Announcement are as follows:

“The Court decided to accept the petition for the bankruptcy of Xinjiang La Chapelle Fashion Co., Ltd. by Shanghai Qihui Enterprise Management Co., Ltd.* (上海啟卉企業管理有限公司)” on 2 February 2023 and designated King & Wood Mallesons (Beijing), Shanghai Branch* (北京市金杜律師事務所上海分所) to act as the administrator of the Company on 3 February 2023. On 12 September 2023, the Court ruled on the reorganisation of Xinjiang La Chapelle Fashion Co., Ltd. based on the application of Xinjiang La Chapelle Fashion Co., Ltd..”

III. THE IMPACT ON THE COMPANY

Currently, the court has ordered the reorganisation of the Company. In accordance with the relevant provisions of the “Enterprise Bankruptcy Law of the People’s Republic of China”* (《中華人民共和國企業破產法》), the Company has been transferred from the bankruptcy liquidation procedure to the bankruptcy reorganisation procedure. The administrator or the Company shall formulate a draft reorganisation plan of the Company within the prescribed limited time in accordance with laws and submit it to the creditors’ meeting for considering and voting. Creditors of the Company shall be paid according to the approved reorganisation plan determined by the court. After the Company has completed the implementation of the reorganisation plan and succeeded in reorganisation, the Company will continue to exist, and the rights and interests of investors, creditors and other relevant entities will be effectively protected in accordance with the law. If the draft reorganisation plan cannot be approved by the court, the court will rule to terminate the Company’s reorganisation procedures and declare the Company bankrupt.

As at the date of this announcement, the Company’s daily production and business activities remain in normal operation. During the reorganisation procedures, the Company will continue to focus on its apparel business, which is the main operations of the Group, and actively carry out daily production and operation.

IV. RISK WARNINGS

If the Company could successfully complete the reorganisation and implement the reorganisation plan, it will help optimize the Company’s asset-liability structure and improve the Company’s sustainable operations and profitability. If the reorganisation fails, there is a risk that the Company being declared bankrupt by the Court in accordance with relevant regulations and the risk that the Company’s domestic shares may cease to be listed on the Delisting Board* (退市板塊) accordingly.

The Company will continue to pay close attention to the progress of the matters and promptly perform its information disclosure obligations.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, following the designation of the administrator for the Company's bankruptcy liquidation, trading in the shares of the Company on The Stock Exchange of Hong Kong Limited has been suspended with effect from 9:00 a.m. on 7 February 2023, and will remain suspended until further notice. The Company will publish further announcement(s) to inform the shareholders and potential investors of any material developments in connection with the suspension of trading as and when appropriate.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

Administrator of Xinjiang La Chapelle Fashion Co., Ltd.

Shanghai, the People's Republic of China
13 September 2023

As of the date of this announcement, the executive directors of the Company are Mr. Zhao Jinwen, Ms. Zhang Ying and Mr. Zhu Fengwei, the non-executive director of the Company is Ms. Wang Yan, the independent non-executive directors of the Company are Mr. Xing Jiangze, Ms. Chow Yue Hwa Jade and Ms. Yang Linyan.

* *For identification purpose only.*