

CLSA Capital Partners' ARIA IV Funds invest RMB 150 million in China's Coco Healthcare

Hong Kong - [Monday, 11 May 2015]: ARIA Investment Partners IV, LP and ARIA Investment Partners IV (Non-US), LP (together, "ARIA IV") are pleased to announce the investment of RMB 150 [US\$ 24.5] million in Coco Healthcare Products Co., Ltd. ("Coco"). ARIA IV Funds are private equity funds managed and advised by CLSA Capital Partners, which is the asset management arm of CLSA, Asia's leading independent brokerage and investment group.

Based in Hangzhou, Coco is one of China's fastest growing companies in the consumer goods sector targeting the country's rapidly aging population. Coco is a market leader for adult diapers in both traditional retail and online e-commerce sales. Driven by powerful social and demographic forces and home to the world's largest aging population, China's adult incontinence market is projected to grow 15-20% CAGR over the next five years*.

"Coco" brand products are distributed nationwide across China, based on the combined notion of "comfortable and considerate". Coco is also China's largest exporter of baby diapers, providing dedicated private label and Original Design and Equipment Manufacturing solutions to major regional and international customers. ARIA IV is Coco's first private equity investor.

Managing Director of the ARIA Funds, Miranda Tang, commented, "This is the first investment by ARIA IV in China and continues more than a decade of successful investing by ARIA Funds in leading consumer businesses in China and the region. Rapid urbanisation, better education and improved healthcare coupled with low diaper penetration have enabled adult incontinence products to become one of the fastest growing categories in the FMCG segment in China. The recent landmark changes in China's decades-long one-child policy will drive growth in baby diaper products. The ARIA team aims to assist Coco in expanding its footprint in Asia, enhancing its brand and helping it to capture the exponential growth potential in this space. It gives us great pleasure to invest in Coco."

Owner of Coco, Jin Liwei said, “We are delighted to receive the investment from ARIA IV. The ARIA Funds are one of the region’s most experienced private equity funds with many successes in backing companies in China and across Asia. CLSA Capital Partners brings immense value from their deep insights in the Chinese consumer market and regional network of pan-Asian contacts. ARIA IV’s investment in Coco is recognition of the progress made by the Company to emerge as the market leader in the adult diapers category.”

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** Euromonitor International, “Incontinence In China”. April 2014*

About Coco Healthcare Products Co., Ltd.

Coco was founded more than a decade ago by Mr. Jin Liwei, a widely recognized and well-respected pioneer in China’s adult and baby diaper industry. He is a member of Hangzhou Ling’an People’s Congress and a Vice President in Hangzhou Ling’an Federation of Industry & Commerce. Coco’s first diaper production facilities were set up in 2001 and is one of China’s largest and fastest growing companies in the adult and baby diaper industry.

Further information can be found at: www.cocohealthcare.com or by contacting:

Ms. Joyce Bao

Coco Healthcare Products Co., Ltd.

Tel: +86 571 6370 1888

About CLSA Capital Partners

CLSA Capital Partners is the alternative asset-management arm of CLSA, Asia’s leading independent brokerage and investment group.

CLSA Capital Partners has approximately US\$3 billion under management and offices across the region, including Hong Kong, Singapore and Tokyo. CLSA Capital Partners offers a diversified and increasing range of investment vehicles.

Funds currently under CLSA Capital Partners' management are:

- **ARIA Investment Partners**, pan-Asian private equity funds providing growth and expansion capital to Asian mid-market companies.
- **Fudo Capital**, pan-Asian real estate investment funds.
- **Sunrise Capital**, Japan dedicated private equity fund, capitalising on opportunities in the mid-cap sector.
- **Clean Resources Asia Growth Fund**, pan-Asian clean resources, private equity growth capital fund.
- **Pacific Transportation**, pan-Asian transportation private equity fund.
- **Nexen Global Co-Investment Fund**, global industrials investment fund.

CLSA Capital Partners is a diverse team of industry professionals with expertise in private equity, banking and finance, law and accountancy and industry specialisations. The highly experienced team, with long established roots in the region, has helped many Asian companies realise their growth potential.

For more information on CLSA Capital Partners or the specific funds please visit www.clsacapital.com

Media contacts:

Simone Wheeler
Head of Communications
CLSA
T: +852 2600 8196
E: simone.wheeler@clsa.com

Mandy Ho
Senior Communications Manager
CLSA
T: +852 2600 8193
E: mandy.ho@clsa.com