le saunda holdings ltd.
萊爾斯丹控股有限公司*

(incorporated in Bermuda with limited liability)
(Stock Code: 0738)

UNAUDITED OPERATIONAL DATA OF RETAIL BUSINESS FOR THE THREE MONTHS ENDED 31 AUGUST 2018 AND PROFIT WARNING

The board of directors (the "**Board**") of Le Saunda Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") announces the following unaudited operational data of the Group's retail business for the three months ended 31 August 2018 (the "**second quarter of financial year 2018/19**"), and a preliminary review of operating results for the six months ended 31 August 2018 (the "**interim period 2018/19**"). This announcement is made 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 (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

Retail Business#
For the second quarter of financial year 2018/19, the Group's self-owned retail business recorded a total sales decline of 19.7% and a same store sales decline of 10.3%, comparing with the same period of last year.

 # Excluded e-commerce business

E-Commerce Business
For the second quarter of financial year 2018/19, the Group's e-commerce business recorded a total sales growth of 32.1%, comparing with the same period of last year.

Distribution and Retail Network
As at 31 August 2018, the Group had a total retail network covering 621 outlets in Mainland China, Hong Kong and Macau, a net decrease of 105 outlets compared to the corresponding period of last year. The total number of outlets consisted of 559 self-owned outlets in Mainland China, Hong Kong and Macau and 62 franchised outlets in Mainland China.

Preliminary Review of Operating Results
Based on the latest unaudited consolidated management accounts, the Board expects the Group may record a net loss attributable to the equity shareholders for the interim period 2018/19 comparing with a net profit attributable to the equity shareholders of RMB32,406,000 in the same period of last year primarily attributable to (a) a decrease of total retail sales as a result of retail shops consolidation in light of the continuous sluggish PRC retail market; (b) a decrease in gross profit margin due to the change of retail pricing strategy in response to the unhealthy market sentiment; (c) an exchange loss arising from the depreciation of Renminbi recorded in the interim period 2018/19, as compared to the exchange gain on Renminbi in the same period of last year.

The Board wishes to emphasize that the information contained in this announcement is solely based on the preliminary assessment by the management of the Company with reference to the latest unaudited consolidated management accounts of the Group and the information currently available, and is not based on any figures or information reviewed or audited by the independent auditors of the Company.

The Company's shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Le Saunda Holdings Limited
James Ngai
Chairman

Hong Kong, 10 September 2018

As at the date of this announcement, the Company's executive Directors are Mr. Cheng Wang, Gary, Ms. Chui Kwan Ho, Jacky and Ms. Liao Jian Yu; non-executive Directors are Mr. James Ngai and Mr. Lee Tze Bun, Marces; independent non-executive Directors are Mr. Lam Siu Lun, Simon, Mr. Leung Wai Ki, George and Mr. Hui Chi Kwan.

**For identification purpose only*