LEGEND STRATEGY INTERNATIONAL HOLDINGS GROUP COMPANY LIMITED
杉濬國際集團控股有限公司
(a company incorporated in the Cayman Islands with limited liability)
(Stock Code: 1355)

ESTIMATED DECREASE IN NET LOSS FOR THE YEAR ENDING 31 DECEMBER 2018

This announcement is made by Legend Strategy International Holdings Group Company Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the "**Board**") of directors (the "**Directors**") of the Company are pleased to inform the shareholders of the Company and potential investors that based on the preliminary review of the unaudited management accounts of the Group for the eleven months ended 30 November 2018 and taking into consideration the information currently available to the Board, the Group is expected to record a significant decrease of approximately 80% in net loss attributable to equity holders of the Company for the year ending 31 December 2018 as compared to the corresponding period in 2017. The Board considers that such decrease was mainly driven by the following factors:

(i) the commencement of business of Hazens East Resort* (合正東部灣度假公寓) in June 2018 which has increased the number of available rooms and expanded the size of the hotel business of the Group;

(ii) the improvement of the existing hotel performance (in particular Nanshan Hotel the renovation of which was completed in September 2017) due to effective marketing plans adopted by the sales team, under which cooperation agreements have been entered into with tourism intermediaries, and corporate customers who have been proactively approached to satisfy their needs;

(iii) a series of operation improvement schemes implemented during the year to enhance hotel facilities and to improve service quality, customers' satisfaction and staff morale; and

(iv) the decrease in operating costs such as employee benefit expenses and operating lease expenses in Hong Kong due to the cost-saving strategies implemented by the management during the year.

The information contained in this announcement is only based on the preliminary assessment by the management of the Group of the unaudited management accounts of the Group for the eleven months ended 30 November 2018 and information currently available, which have not been reviewed or audited by the Company's auditor and are subject to finalization and adjustments and changes in market conditions.

Shareholders of the Company and the potential investors are advised to read carefully the final results announcement of the Company for the year ending 31 December 2018 which will contain details of financial information and performance of the Group during the year and is expected to be published by the end of March 2019.

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

By Order of the Board
Legend Strategy International Holdings Group Company Limited
Ye Shusheng
Executive Director and Chief Executive Officer

** for identification purpose only*

Hong Kong, 27 December 2018

As at the date of this announcement, the Board comprises:

Executive Director:
Mr. Ye Shusheng

Non-executive Directors:
Mr. Yuan Fuer *(Chairman)*
Mr. Hu Xinglong

Independent non-executive Directors:
Mr. Wu Jilin
Mr. Du Hongwei
Ms. Li Zhou