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 MAY 2020 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 May 2020 (the **"first quarter of financial year 2020/21"**) and a preliminary review of operating results for the six month ended 31 August 2020 (the "**interim period 2020/21**"). 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 first quarter of financial year 2020/21, the Group's self-owned retail business recorded a total sales decline of 38.2% and a same store sales decline of 32.7%, comparing with the same period of last year.

[#]*Excluded e-commerce business*

E-Commerce Business

For the first quarter of financial year 2020/21, the Group's e-commerce business recorded a total sales decline of 16.4%, comparing with the same period of last year.

Distribution and Retail Network

As at 31 May 2020, the Group had a total retail network covering 414 outlets in Mainland China, Hong Kong and Macau, a net decrease of 72 outlets compared to the corresponding date of last year. The total number of outlets consisted of 368 self-owned outlets in Mainland China, Hong Kong and Macau and 46 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 2020/21, comparing with a net profit attributable to the equity shareholders of RMB2,388,000 in the same period of last year. The expected net loss is primarily attributable to the significant decrease of the Group's total retail sales due to the adverse impact on retail market that brought by the outbreak of COVID-19 epidemic since late January 2020 and an one-off redundancy cost of approximately RMB36 millions was incurred as a result of the cessation of the Group's footwear production in its Shunde factory since May 2020.

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, 8 June 2020

As at the date of this announcement, the Company's executive Directors are Ms. Chui Kwan Ho, Jacky, Ms. Liao Jian Yu and Mr. Li Wing Yeung, Peter; non-executive Director is Mr. James Ngai; independent non-executive Directors are Mr. Lam Siu Lun, Simon, Mr. Leung Wai Ki, George and Mr. Hui Chi Kwan.

**For identification purpose only*