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*(a joint stock limited company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 00980)**

## **PROFIT WARNING**

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The Board would like to inform the Shareholders and potential investors that the Group is expected to incur net loss attributable to owners of the Company of approximately RMB750 million to RMB850 million for the year ended 31 December 2023 as compared to the audited net loss attributable to owners of the Company of approximately RMB212 million for the year ended 31 December 2022.

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

This announcement is made by Lianhua Supermarket Holdings Co., Ltd. (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) 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).

The board of directors of the Company (the “**Board**”) would like to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that the Group is expected to incur a relatively significant increase in its operating loss for the year 2023, which is mainly due to (i) the Group recognized share of loss of an associate of the Company, (ii) the store-closure adjustment on the of certain hypermarkets in Anhui and Jiangsu region, which is losses incurred as a result of in line with the Group’s strategic development, and (iii) the decline in performance/sales arising from various factors such as the decreased number of in-store customers that generally encountered by the retailing industries as a result of the market conditions.

Given the above, the Board would like to inform the Shareholders and potential investors that the Group is expected to incur net loss attributable to owners of the Company of approximately RMB750 million to RMB850 million for the year ended 31 December 2023 as compared to the audited net loss attributable to owners of the Company of approximately RMB212 million for the year ended 31 December 2022.

This profit warning announcement is prepared only based on the information currently available to the Group and a preliminary assessment on the management accounts of the Group by the management of the Company, which has not been audited or reviewed by the Company’s auditors. Shareholders and potential investors are advised to read carefully the announcement of the Company in relation to the Group’s annual results for the year ended 31 December 2023, which is expected to be published in March 2024. There may be differences between such information and the estimated financial information set out above.

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

By order of the Board  
**Lianhua Supermarket Holdings Co., Ltd.**  
**Pu Shao-hua**  
*Chairman*

Shanghai, the People’s Republic of China, 1 March 2024

*As at the date of this announcement, the directors of the Company are:*

*Executive Directors:*

Chong Xiao-bing and Zhang Hui-qin;

*Non-executive Directors:*

Pu Shao-hua, Hu Xiao, Zhang Shen-yu, Dong Xiao-chun and Wong Tak Hung;

*Independent Non-executive Directors:*

Xia Da-wei, Lee Kwok Ming, Don, Chen Wei and Zhao Xin-sheng.